The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

The American Economic Mission and the Silver Situation

ARTICLES IN THIS ISSUE

Japanese Army Not Interested in Soviet Amity Talk

Manchurian Soy Monopoly Is Broken By U. S. Industry

Uncensored Jap Cables Charge Chiang's Drive Failing

Chinese Students Throughout Land Now Receiving Practical Military Training

The American Mission Hears About Silver and Some Other Things

Cameron Forbes Notes Immense Strides Made by China

New Police Corps Organized at Harbin to Fight Bandits

Ministry of Industry to Establish Two New Fishing Harbors

Ariyoshi Urges Prudence in Reporting Sino-Japanese Situation; More Red Chiefs Believed Killed

Kinshui Sluice Reclaims 500,000 Mow of Land

(By the Review's Hankow Correspondent)

American Silver Policy and Unrevised Treaty Stand in Way of Full Friendship with China . . . By C. Y. W. Meng

Mass Marriages Are Simple and Economical . . By Paul K. Whang

SATURDAY, MAY 4, 1935 VOLUME 72, NUMBER 10

FORTY CENTS A COPY

72-343

BANK OF COMMUNICATIONS

ESTABLISHED IN 1908

Under Special Charter of the National Government as an Industrial Bank.
Member of the Shanghai Bankers' Association.

Branches throughout China and Correspondents in all principal cities of the world. All kinds of banking and exchange business transacted, including Savings and Trust business.

Head Office: No. 14, The Bund, Shanghai.
Telegraphic Address: "CHIAOTUNG"
Telephones: No. 11519 (8 lines)
Savings & Trust Department: No. 358 Nanking Road, Shanghai,
Telephones. Nos. 90072 & 90153

LOCAL BRANCHES:—

358 Nanking Road, Tel. No. 90168
227 Boulevard des 2 Republiques, Tel. No. 82422
414 Wayside Li, East Broadway Road, Tel. No. 51344
185 Boundary Road, Tel. No. 45252

BRANCHES:—

Kiangsu Province —Nanking, Chinkiang, Wusih, Soochow, Yangchow, Hsuchow, Tanyang, Changchow, Chintai, Liyang, Changshu, Taihsien, Tungtai, Yencheng, Nantung, Tsinkiangpu, Hwai-an, Paoying, Jukao, Taihsin.

Chekiang Province —Hangchow, Ningpo, Tinghai, Shaohsin, Yuyao, Chuchow, Lanchi, Wenchow, Kinhwa.

Hopeh Province —Peiping, Tientsin, Paoting, Tangshan, Shihchiachuang.

Shantung Province —Tsinan, Tsingtao, Chefoo, Weihaiwei, Lungkow, Weihsien, Tsaochuang, Huanghsien.

Anhui Province —Wuhu, Pengpu, Hsuancheng.

Kiangsi Province —Nanchang, Kiukiang.

Hupeh Province —Hankow, Wuchang, Ichang.

Honan Province —Kaifeng, Chengchow, Shenchow.

Hunan Province —Changsha, Shasi.

Kwangtung Province —Canton.

Fukien Province —Foochow, Amoy.

Shensi Province —Si-an, Weinan, Hsienyang.

Chahar Province —Kalgan.

Suiyuan Province —Kweisui, Paotowchen.

Manchuria —Mukden, Harbin, Szepinghai, Sunchiatai, Yinkow, Taonan, Changchun, Kirin, Heilungkiang.

Dairen.

Hongkong.

READ

"THE CHINESE REPUBLIC"

Edward Bing-Shuey Lee, Editor

SPECIAL FEATURES

1. Review of World Events
2. Survey of the Week's News in China
3. The Mis-Republic
4. What China Has
5. Chinese Leaders' Views

OTHER FEATURES

1. Editorials
2. Special Articles on Economic Development, Foreign Affairs, Current Topics and Specialized Subjects
3. Reconstruction
4. Chinese Press Opinion
5. Foreign Press Opinion
6. Documentary Data
7. Book Reviews

20 Cents per Copy

$ 7 00 Mex. per year (domestic)
$16 00 Mex. per year (foreign)

Business and Editorial Offices,
150 Kiukiang Road, Shanghai.

THE NEW CHINA

North China's Only Journal of Opinion

Chronicling the March of New China

Twenty Cents per copy - Two Dollars per year

Abroad Mex $3.20 per year including postage

Send Your Order to the Following Address

THE NEW CHINA PUBLISHING ASSOCIATION

66 Kan Mien Hutung Hatamen St,
Peiping.

A.B.C. PRESS, SHANGHAI
Printing
in all its Branches

Your work
should bear
our imprint

The National City Bank of New York, Rates of Exchange

Shanghai, May 1, 1935

Demand selling rate on America:	U S $1,00=Sh $ 2 43
Demand buying rate on America:	U.S $1,00=Sh. $ 2 40
Demand selling rate on London:	£1 0 0=Sh. $11 74
Demand buying rate on London:	£1 0.0=Sh $11.60

Latest New York Stock Exchange Quotations

May 1, 1935
Business Done -
Total Volume. 860,000 Shares

1934-35 High	Low	Div $ per sh	STOCKS	Last Sale Apr 29	Apr. 30
123⅝	90¼	4 00	American Can	122	120
22½	14⅝	0.40	Amer. Cyanamid "B"	17	17⅝
13⅜	2	—	American & For. Power	3½	3⅛
38⅝	9¼	—	American Locomotive	11½	11
17⅝	10	—	American Radiator	13⅜	12⅝
51¼	30¼	—	American Smelting	44¼	43
125¼	99¼	9 00	American Tel & Tel	112⅝	111⅛
89	67	5 00	American Tobacco "B"	84	83
27⅝	7¼	1 00	American Waterworks	11⅝	11¼
17¾	8	—	Anaconda Copper	14	14⅛
73⅜	36⅝	2 00	Atchison S & S Fe	40¼	40
35¼	21⅝	1 00	Atlantic Refining	23⅝	24⅛
57⅜	15	—	Auburn	20	19⅝
34½	7⅞	—	Baltimore & Ohio	11¼	10⅜
23⅞	9⅜	—	Bendix Aviation	14⅜	14⅜
49½	22½	—	Bethlehem Steel	26	25½
11¼	6½	—	Boeing Airplane Co,	8	8
28¼	19⅝	1.60	Borden Co	23⅞	24
35	16½	1 50	Borg Warner	33⅞	33½
18¼	9½	—	Canadian Pacific Railway	10½	10⅝
86¾	35	—	Case J I	55⅝	53¾
44⅞	28⅜	1 00	Caterpillar Tr	44½	43¾
40¾	15⅝	1 40	Chase National Bank	22⅝	21¾
48¾	37⅛	2.80	Chesapeake & Ohio	42½	42
60¾	29¼	1 00	Chrysler	37¾	37⅞
19¼	3¾	—	Columbia Gas & Electric	6¼	6
36¾	15⅝	0.60	Coml Solvents	19⅞	19¼
3⅝	0⅝	—	Commonwealth & Southern (ord)	1⅛	1
47⅜	16¼	1 00	Consolidated Gas of N Y	23¾	23⅝
21⅝	15½	0 50	Contin ntal Oil	20	20
81¼	55½	3 00	Corn Products	67¼	67⅜
9⅞	3⅝	—	Coty Inc	5⅝	5½
28½	14½	—	Douglas Aircraft	24½	25
108⅞	80	3 25	Du Pont de Nemours	97½	96¾
23½	3¾	—	Electric Bond & Share	6¼	6⅛
17½	8¼	—	Fox Film "A"	10¼	10½
25¼	16⅞	0 60	General Electric	24⅝	23⅝
36⅞	28	1 80	General Foods	34	34
42	24⅝	1 50	General Motors	30⅝	29⅝
23	15⅞	1 20	Gold Dust	15½	14⅞
41⅜	16	—	Goodyear Tire & Rubber	18	17⅜
37⅜	18⅜	0 25	International Cement	26	25½
29¼	21	0 60	International Nickel	27⅛	27
17⅜	5⅝	—	International Tel & Tel	7¼	7¼
66⅜	39	—	Johns Manville	46½	47½
29¼	14	0 60	Kennecott	18⅛	17⅝
38⅛	20⅝	2 00	Loew's Inc	38⅛	37⅝
22½	15⅜	1 20	Lorillard	21	20⅝
35⅝	20	—	Montgomery Ward	26	26
49½	22½	2 00	Nat Biscuit	26	26¼
43	16⅞	1 00	National City Bank	20⅞	19⅝
18⅜	13	1 20	Nat- Dairy Prods.	14⅛	14½
31⅝	16	0 50	National Distillers	25	25½
15½	5	0 80	Nat. Power & Lt.	8⅝	8
45¼	12¼	—	New York Central	16¼	15⅝
25¼	9⅛	1.00	North American	14	13½
23½	17⅝	1 50	Pacific Gas & Electric	18¼	18
37	19	2 40	Pacific Lighting	28	27½
6⅝	2¾	—	Packard Motors	3⅞	3¾
39½	17¼	1 00	Pennsylvania Railroad	21½	20⅞
20¾	13	1 00	Phillips Petroleum	19	19⅛
45	20⅜	2 80	Public Serv. of N J	28	27½
8⅛	4	—	Radio Corporation	5	5
69⅞	43¼	8 00	Reynolds Tobacco "B"	48⅝	49
38⅞	17¼	—	Schenley	23¾	24⅛
51¼	31	0.75	Sears Roebuck	37⅝	37¾
19⅞	11	0 60	Socony Vacuum	13⅞	14⅛
22¼	10⅛	1 50	Southern California Edison	15⅜	15
32¾	13	—	Sthrn Pacific	15⅝	15
36½	7⅝	—	Sthrn Railway	10¾	10
25¼	14⅛	1 00	Stand Brands	14	13¾
17	1¾	—	Standard Gas & Electric	3⅛	3⅜
42⅞	26½	1.00	Stand Oil of Cal.	33¾	33⅞
50⅛	35¾	1 25	Standard Oil Co of N J	47⅛	43
67	47¼	3 80	Sterling Products	66⅝	66⅝
29⅜	16¾	1 00	Texas Corporation	21¾	21⅜
43¼	29	2.00	Texas Gulf Sulphur	31	30⅞
8½	5	.12½	Transamerica	5½	5½
52⅝	35⅞	1 40	Union Carbide & Carbon	51⅞	51½
133⅞	83⅛	6 00	Union Pacific	91¾	89¾
15¼	8⅛	—	United Aircraft (New)	12¾	12¾
6½	3¾	—	Un Airline Trans.	5⅜	5½
8⅞	1½	—	United Corporation	2¾	2¾
24	9⅜	—	U S Rubber	12⅜	11¾
59⅞	27⅞	—	U S Steel	33	32¼
2 ¾	11½	—	Vanadium	12¾	12
8¼	2¼	—	Warner Bros Pictures	3⅛	3
47¼	27⅞	0 25	Westinghouse Elect	42¾	41

Call Money 1 %

SWAN CULBERTSON & FRITZ

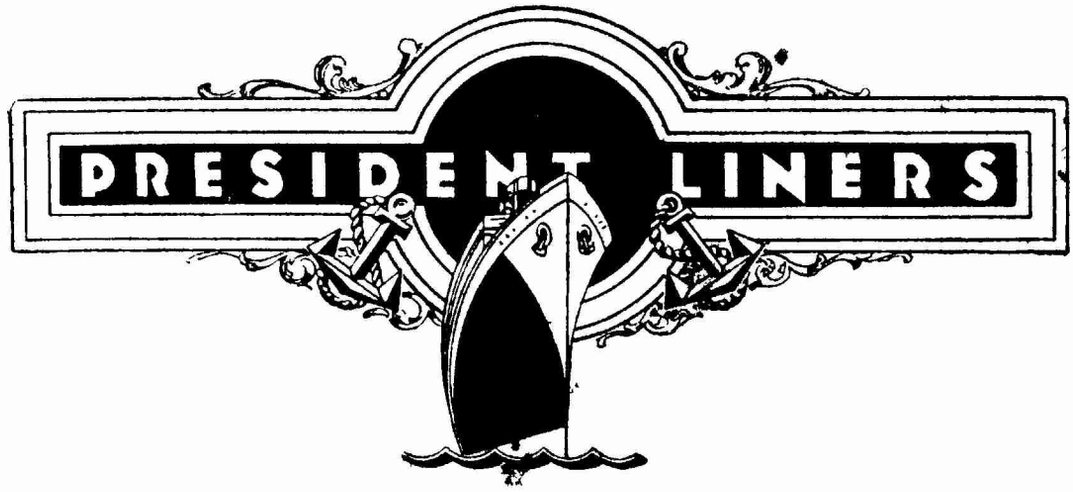
Swan, Culbertson & Fritz

Investment Securities—Local & Foreign

Safe Deposit Facilities

New York stock quotations received daily

Sassoon House Telephones 11200 (4 lines)



TRAVEL TO

EUROPE via AMERICA

by one of the following new interesting economical routes:
CONNECTING WITH ALL ATLANTIC LINES

		One Way	Round Trip
FIRST CLASS THROUGHOUT	From	£92/ 0/4	£157/7/5
TOURIST CLASS	„	59/18/0	109/7/3

THE EXPRESS ROUTE VIA SEATTLE

Shanghai to London—Paris in 24/25 days

LEAVE SHANGHAI		ARRIVE LONDON/PARIS	
Pres. McKinley	May 14	s.s. Britannic	June 8
Pres. Grant	May 28	s.s. Georgic	June 22
Pres. Jefferson	June 11	s.s. Conte di Savoia	July 5
Pres. Jackson	June 25	s.s. Europa	July 22

THE SUNSHINE ROUTE VIA HONOLULU

by the All-Electric, Express, Luxury Liners, Crossing America in Air-Conditioned Comfort, Stopping in California, Grand Canyon or Yellowstone Park, Chicago, Niagara Falls and New York.

Shanghai to London—Paris in 27 days

LEAVE SHANGHAI		ARRIVE LONDON/PARIS	
Pres. Hoover	May 21	s.s. Majestic	June 17
Pres. Coolidge	June 18	s.s. Bremen	July 15
Pres. Hoover	July 16	s.s. Majestic	Aug. 13
Pres. Coolidge	Aug. 13	s.s. Normandie	Sept. 9

THE PANAMA CANAL ROUTE VIA JAPAN, HONOLULU, CALIFORNIA AND HAVANA

Shanghai to London—Paris in 44 days

LEAVE SHANGHAI		ARRIVE LONDON/PARIS	
Pres. Cleveland	May 11	s.s. Manhattan	June 25
Pres. Taft	June 8	s.s. Europa	July 22
Pres. Pierce	July 6	s.s. Berengaria	Aug. 19
Pres. Wilson	Aug. 3	s.s. Majestic	Sept. 16
Pres. Lincoln .....Aug. 31		s.s. Berengaria	Oct. 14

DOLLAR STEAMSHIP LINES
AMERICAN MAIL LINE

Robert Dollar Building — 51 Canton Road, Shanghai.

中華郵政特准掛號認爲新聞紙類

Registered at the Chinese Post Office as a newspaper for transmission with special marks privileges in China

密勒氏評論報

The China Weekly REVIEW

Formerly Millard's Review

中華郵政特准掛號立券之報紙

Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China.

Volume 72 | Shanghai, China, Saturday, May 4, 1935 | Number 10

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

PUBLISHED AT NO. 160 AVENUE EDWARD VII, SHANGHAI, CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher; GEO. W. MISSEMER Asst. Editor; TRYPHON V. KU, Advertising Dept.,; F. K. CHAO, Business Dept.

CONTRIBUTING EDITORS

C. Y. W. MENG — S. Y. LEUNG

C. Y. HSIEH — PAUL K. WHANG

YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE. POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES EIGHT DOLLARS U S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

Contents

Editorial Paragraphs

Uncensored Jap Cables Charge Chiang's Drive Failing 307
Manchurian Soy Monopoly Is Broken By U. S. Industry 308
Japanese Army Not Interested in Soviet Amity Talk 308
Chinese Students Throughout Land Now Receiving Practical Military Training 309
The American Mission Hears About Silver and Some Other Things 311

Special Articles

Kinshui Sluice Reclaims 500,000 Mow of Land ... 314
Ariyoshi Urges Prudence in Reporting Sino-Japanese Situation; Red Chiefs Believed Killed En Masse 315
American Silver Policy and Unrevised Treaty Stand in Way of Full Friendship with China ..... By C. Y. W. Meng 322
Mass Marriages Are Simple and Economical ..... By Paul K. Whang 324
Who's Who in China 335
Men and Events 336
New Books of Interests in the Far East 338

CONTENTS OF PREVIOUS ISSUES OF THE CHINA WEEKLY REVIEW MAY BE FOUND IN THE "INTERNATIONAL INDEX TO PERIODICALS," COPIES OF WHICH ARE ON FILE IN MOST STANDARD LIBRARIES.

COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 160 AVENUE EDWARD VII, SHANGHAI, CHINA. TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

UNCENSORED JAP CABLES CHARGE CHIANG'S DRIVE FAILING

A FURTHER example of the adverse effect resulting from Nanking's inability to establish its censorship control over the Japanese cable office in Shanghai was provided on April 22 when the newspapers in Japan published sensational reports from Japanese correspondents at Shanghai to the effect that Gen. Chiang Kai-shek's 29th army, stationed in Szechuen province, had deserted and joined the communists. One of these reports, dispatched by the Shanghai correspondent of the *Nippon-Dempo* service on April 19 claimed that the desertion of Gen. Chiang's 29th army had resulted in the disruption of traffic between Chengtu and Chungking and that foreign and Chinese residents of Chengtu, who were trying to get to the Yangtsze river had been placed in an extremely precarious position. The report alleged further that more than 1,000 communists had entered Chengtu, that martial law had been declared, and that government troops stationed in the vicinity of Chengtu had been forced to retreat. The Japanese correspondent, who sent this report, gave "foreign diplomatic quarters" as the source of his information. In addition to these dispatches the Japanese news service carried a further report from Kweichow province charging that serious opposition had developed there to Gen. Chiang Kai-shek's plans for reorganizing the provincial administration, the allegation being made that the reorganization scheme would interfere with Kweichow's revenue derived from the transportation of opium through the province to Kwangsi province. It was claimed that the military authorities in both Kwangtung and Kwangsi were seriously concerned at Gen. Chiang's alleged efforts to increase his influence in the southwest.

That the political situation at Chengtu has been seriously disturbed due to communist situation is well known, is fact many foreign missionaries and Chinese residents of that city have already arrived in Shanghai, but there apparently was no foundation for the Japanese report that Gen. Chiang's troops had rebelled and joined the reds. This Japanese report was cabled to the newspapers in Japan over the Japanese cable which has

its office at No. 25 Seward road in the International Settlement. As indicated in previous discussions of this subject in recent issues of *The Review*, China's inability to establish her censorship control over the Japanese cable has largely been responsible for the spreading of sensational reports over the world regarding developments in China. When the Chinese authorities originally established their control over the local radio and cable offices used by American and Europeans, the announced object was to prevent the dispatch of messages considered detrimental to China's national interests. While the government's right to establish a censorship, particularly over reports bearing on military affairs, was not questioned in American and European circles, the inability of the Nanking authorities to establish a corresponding control over messages dispatched over the Japanese cable has had a highly detrimental effect which is likely to be far-reaching. In view of this situation, it would seem that Nanking should either abolish the entire censorship, or apply it impartially on all radio and cable stations without respect to nationalities. So long as the Japanese are permitted to send sensational reports, either in the form of news or commercial messages, for publication in Japan, the effort of the Chinese authorities to control messages dispatched by American and Europeans is not only futile but highly detrimental because it results in the Japanese version of developments in China being published in newspapers all over the world.

MANCHURIAN SOY MONOPOLY IS BROKEN BY U. S. INDUSTRY

THE Japanese seem to be having bad luck all along the line, the latest jolt being a falling off in world demand for soy-beans and their by-products, long a monopoly of Manchuria. For many years propagandists connected with the Japansse government-controlled South Manchuria railway extolled the virtues of soy-beans, the transportation of which provided the S.M.R. with a considerable portion of its revenues. Actually, soy-beans figured largely in Japan's ambition to control China's northeastern provinces because Manchuria possessed a monopoly of world production and revenues derived from the profitable sales were being used by the Chinese to consolidate their control and break the monopoly of the Japanese government railway. Most of the new Chinese railways constructed during the regimes of Chang Tso-ling and his son and successor, Chang Hsueh-liang, were built in order to handle the profitable transportation of soy-beans. When the Chinese linked up their new railways and developed the new port of Hulutao in 1930 and 1931 they thought they had effectively broken the Japanese monopoly centered in Dairen—and they were correct because the competition of the new Chinese lines and the Soviet-controlled Chinese Eastern line caused the S.M.R. to lose money in 1931, the first time in its history. The large stacks of soy-beans at Hulutao and Vladivostok and the small piles at Dairen told the real story. But the Chinese had placed too much dependence on the Nine-Power treaty and Kellogg pact which the Japanese Kwantung army tore up when it intervened and seized the Chinese railways and thus restored the Japanese monopoly in the S.M.R.

Now there has been another development which the Japanese warlords did not take into consideration—the growth of a competitive soy-bean industry in the United States. According to an article in the *Chicago Tribune* the new American soy-bean development has provided Chicago with its newest and what promises to shortly become, one of its most thriving industries. A new plant for the extraction of soy-bean oil from beans grown in the Chicago district, opened three months ago, has already become so prosperous that its capacity is being doubled. It is owned by the Gliddon company, manufacturers of varnishes and paints, but in addition to the oil the plant also turns out various by-products including bean-meal for cattle food, a new type of edible flour for the bakery trade, salad and other edible oils and in addition a bleaching compound. Much of the popularity of soy-bean oil in the production of paints, varnishes and enamels was due to Henry Ford, the motor car manufacturer who extolled the product as a quick drying agent for lacquers and enamels for automobiles and also the soy-bean as a profitable depression crop for farmers in the middle-western section of the United States. The article claimed that the rapid development of the soy-bean oil industry at Chicago probably would result in that city displacing Cleveland, Ohio as the headquarters of the paint and varnish industry in the United States. The Sherwin-Williams company, another important paint and varnish industry, is also expanding its Chicago plant, apparently as a result of the soy-bean boom.

JAPANESE ARMY NOT INTERESTED IN SOVIET AMITY TALK

MAJOR-GENERAL Seishiro Itakagi, assistant chief-of-staff of the Kwantung army, who is now in Tokyo, declared in a press interview that the creation of a 40-mile demilitarized zone along the Siberian-Manchukuo border "would amount to nothing in time of war," hence he was opposed to it. The question of creating a demilitarized zone along the border recently had been under discussion between officials of the Japanese foreign office and Soviet diplomatic officials stationed in Japan. Major-General Itakagi declared that even a 200-mile neutral zone wouldn't help the situation and in his opinion it would be more appropriate if Japan would demand that the Soviets withdraw the 250,000 troops which they now have stationed along the international border. But another spokesman of the Tokyo war office was quoted in the *Chugai Shogyo* to the effect that even a reduction of the Soviet forces in the Far East wouldn't help much because the Russians recently had so increased the

capacity of their railways in Siberia that their troops could be brought back in short order. This belligerent Japanese warlord pointed out that the Russians had now completed the double-tracking of the Trans-Siberian to Blagoveschensk and transportation capacity had been increased from four to five times what it was previously. Between Magnetogorsk, the great iron-producing center and Kuznets, the coal center, the Russians were operating from 70 to 100 trains daily and in addition there was a rapid development of heavy industries of a military character in the Siberian districts. It also was charged that the Soviet army authorities had "taken possession" of the delta region between the Amur and Ussuri rivers and that the territory had been heavily fortified "as a result of the confusion attending the Manchurian incident."

Also of significance indicating the critical situation in these areas was the action of the Japanese army on April 19 in practicing formation airplane flights over the Greater Khingan mountain range to the west of Tsitsihar, the advanced Japanese military and aviation base in north Manchuria. For some unexplained reason the Japanese military authorities recently have been adopting a more provocative attitude and have been inspiring articles in the Japanese newspapers regarding Russia's alleged sending of military replacements with much mechanized equipment to the Far Eastern front. A *Rengo* report on April 29 quoted War office authorities as alleging that the Russians were devoting a portion of the cash payment of Yen 23,400,000 received as initial payment on the C.E.R. deal for the construction of a branch line into Sinkiang province from the new Soviet Turksib line which the Russians constructed along the Sinkiang border three years ago. The War office spokesman alleged that this new road was being built to facilitate Soviet penetration of China's western territories "and in aid of the Chinese red armies." In some quarters the opinion was expressed that the Japanese military authorities were preparing for further action on the Mongolian frontier, or were paving the way for pressing Russia to sell the northern end of Sakhalin island to Japan. In this connection the Japanese newspapers recently published a report alleging that it had been discovered that the line established by the Portsmouth treaty, separating Russian and Japanese Sakhalin, "was three miles too far south," leading to the supposition that this strip of land possibly contains valuable oil deposits which the Japanese now desire. But why worry about three miles when the Japanese apparently are laying their plans for seizure, or at least a forced purchase, of the entire Russian area, which, incidentally contains all of the profitable oil wells?

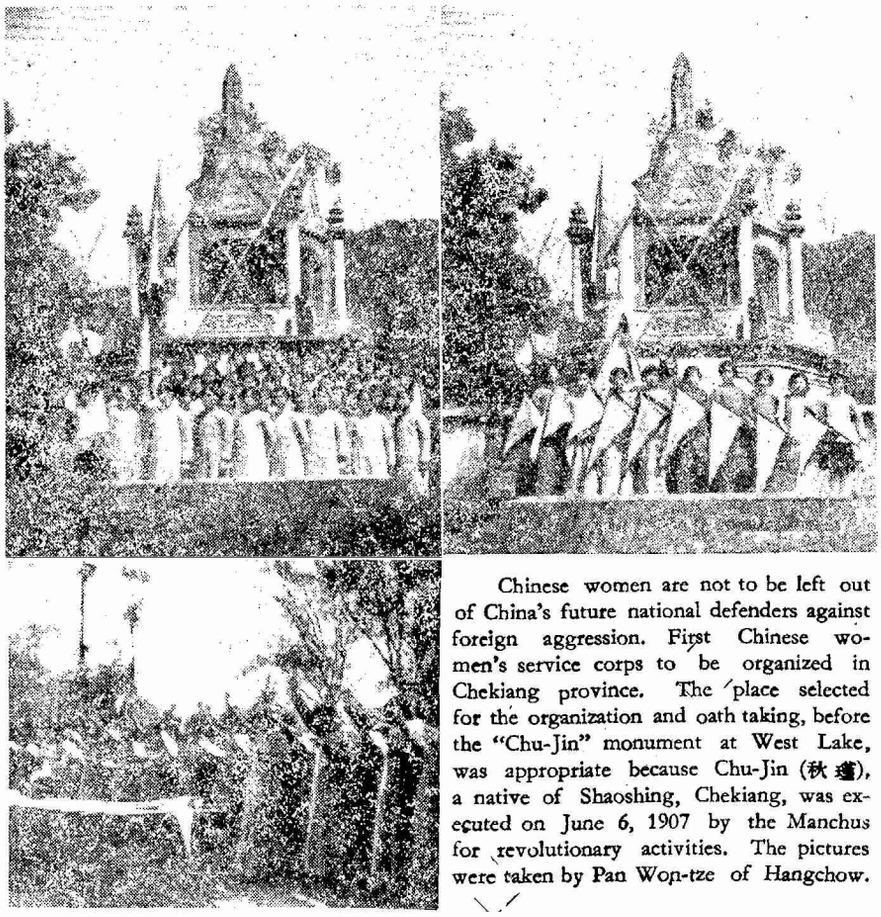
Chinese Students Throughout Land Now Receiving Practical Military Training

A REMARK by the chief Japanese delegate Matsuoka, during the discussion of the Manchurian question at the League of Nations in 1932, to the effect that "China was not an organized state" is being used in a nation-wide propaganda campaign in China to encourage military training in the high schools, colleges and universities.

Dr. Z. Y. Kuo, President of the National University of Chekiang Province, in announcing the inauguration of military training for all students, referred to the Matsuoka statement that China was not an organized state and declared that it was essential for all students to familiarize themselves with the fundamental requirements of collective life in an organized community. He declared that militarization of the schools was one of the best means to that end. Continuing, he said that all students in the university, numbering about 600, would be placed under military discipline and required to undergo training throughout the four year course with the exception of the last half of the senior year. President Kuo stated that the cost of inaugurating the military training would be defrayed by the National Government.

Dr. Kuo's statement was typical of what is taking place among the schools throughout the country. Beginning on April 10 and extending to the middle of June, or for a period of two months, thousands of students from all parts of the country are congregating at designated provincial military camps for special military training. Some idea of the number of students involved in the militarization program is indicated by reports now appearing in the Chinese newspapers. At Shanghai, 3,000 students in senior middle schools are now assembled at Soochow, near Shanghai, where they are being given training by military officers assigned for the purpose by Gen. Chiang Kai-shek. The training not only applies to students in high schools and universities, but also to specialized schools where more technical training is being given. The students at the Labor University of Shanghai are undergoing special training in order to fit them to become officers in so-called labor corps attached to the army. In Chekiang Province several thousand women students are being given special training as nurses in connection with the student militarization program. Recently a meeting including representatives of all women's schools was held in Hangchow in a park which contains a memorial statue to a Chinese women revolutionist named Chu Jin who was executed for revolutionary activities during the latter days of the Manchu Empire. In Peiping the spacious grounds of the famous Yellow Temple were used for the initial gathering of Chinese students for military training in that city. Gen. Ho Yin-chin, Minister of War in the Nanking Government and Acting Chairman of the Peiping Branch Military Council, reviewed the students and delivered a

stirring address on the importance of military training and urged them to set a good example for students in other parts of the country. In Tientsin the number of students in middle schools which are participating is 2500. They are being trained at the headquarters of the provincial military establishment at Paotingfu and will use the military barracks in that city. According to a further report from Nanking, the Government also is holding special military classes during the summer at Kuling, Kiangsi Province, and Loyang, Honan Province, for the principals of all middle schools throughout the country. This order was issued by Gen. Chiang Kai-shek on March 2.



Chinese women are not to be left out of China's future national defenders against foreign aggression. First Chinese women's service corps to be organized in Chekiang province. The place selected for the organization and oath taking, before the "Chu-Jin" monument at West Lake, was appropriate because Chu-Jin (秋瑾), a native of Shaoshing, Chekiang, was executed on June 6, 1907 by the Manchus for revolutionary activities. The pictures were taken by Pan Won-tze of Hangchow.

Compulsory military training was ordered by the National Government shortly following the Japanese occupation of Manchuria on Sept. 18, 1931, but it received its greatest impetus in consequence of the Japanese intervention at Shanghai early in 1932. According to the regulations of the Ministry of Education, every high school and college student is required to have at least three hours of military training every week throughout the academic year. In addition to this, the student has to undergo at least two months intensive military training during summer vacations. A recent order issued by the military department at Nanking stated that all first year students in higher middle schools are required to undergo three months' military training this spring beginning in April. The authorities of the various schools concerned throughout the country were instructed to wind up the work of their students before that date.

A further development leading also in the direction of militarization of schools has been a movement to revise all physical education throughout the country leading in the direction of military training and life on the part of the students. Another development in a similar direction affecting younger students is the boy scout movement which also is being actively cultivated everywhere. During the first two weeks of April, more than 5,000 boy scouts from all parts of Chekiang Province assembled in a camp at Hangchow where they also received special training of a military nature.

With reference to the methods followed in the various schools where military training is being inaugurated, the military department at Nanking has assigned two military officers to each school, the officers being selected through competitive examinations. Those who are selected must themselves undergo three months' special training before taking up their duties in the schools. Rifles, usually of antiquated design, are loaned to the schools by the military establishment. Training not only involves infantry tactics, but also practice in marksmanship. Up to the present, the movement has not developed with much efficiency due to the lack of uniforms and disinclination on the part of the students to observe military discipline, but the heads of schools throughout the country report that there is a gradual improvement in this respect. The enforcement of military training in all schools throught the country also applies to Christian missionary schools operated under the auspices of the American and British missionary boards Since missionary organization generally are opposed to military training, this has created a special problem, but most of the missionary leaders are either falling in with the government's regulations, or closing their eyes to the drilling of students on their campuses, apparently preferring not to make an issue that might have serious results upon their future control of the schools. The total number of students in all parts of the country who are participating in military exercises under the instruction of officers assigned for the purpose from Gen. Chiang Kai-shek's headquarters is not known definitely, but has been estimated from 25,000 to 35,000. In many instances complaints have been made at the inadequacy or poor quality of rifles supplied by the Government, which brought an admission from Nanking that the supply of rifles was only sufficient for providing 50 to each school for this year's training season. In many places where military garrisons are located near the schools, the

regular soldiers are cooperating through the loan of their rifles.

The militarization of schools throughout the country, which received a tremendous impetus as a result of the Japanese intervention, is designed primarily for the purpose of creating a citizens' army, as the college students, or at least many of them, will serve as officers in the future. In many respects the movement here is similar to that which has been in progress in the United States for several years. The training which the students receive at the summer military camps not only includes instruction in infantry tactics, but also embraces general instruction in current political developments both in the Far East and the world generally.

The American Mission Hears About Silver and Some Other Things

THE presence of an American economic mission, the first to be sent to China in many years, has provided opportunity for Chinese individuals and organizations to express their views on innumerable matters of interest to businessmen of the two nations. A list of the subjects discussed would probably fill a column of small newspaper type, but dwarfing all else have been the references to silver. Actually the members of the Mission began hearing about silver even in Japan, the Japanese professing to be seriously concerned over the alleged harm which the American silver-purchase policy was doing to the Chinese people. Why the Japanese, who have stolen four Chinese provinces and were responsible for the mass-murder of ten or fifteen thousand Chinese non-combatants in Chapei, should now be worrying about America's "silver-aggression" naturally provides subject matter for speculation. The Japanese *Nippon-Dempo* service sent a dispatch from Shanghai which was published in the *Japan Advertiser* on April 17, alleging that "some of China's leading economists have proposed to the Nanking government that American merchandise be boycotted in retaliation for the silver-purchasing program of the United States government which has done much damage to the economy and finances of China." The dispatch, however, exposed the real Japanese motive when it went into details, explaining that the American silver policy was designed to improve trade relations between China and the United States; that America's real objective in hoarding silver and gold was to control world markets and prepare for another world war; hence the only thing for China to do was to retaliate by boycotting American goods. In other words the Japanese wish was father to the Japanese thought which inspired the telegram.

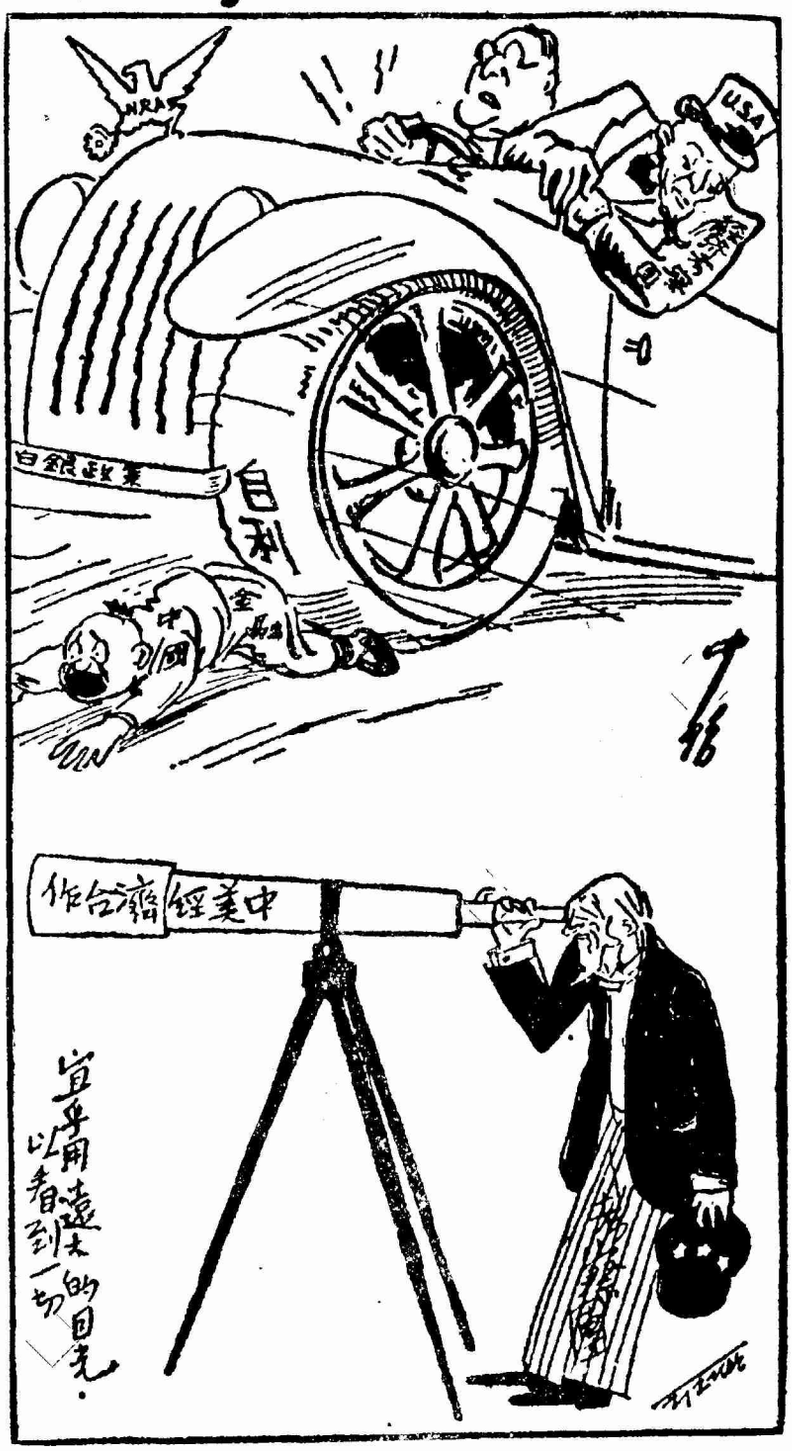
Anyone desiring further evidence of Japanese inspiration behind much of the current anti-American silver propaganda may find it without much searching: On April 3 the local manager of the Yokohama Specie bank, Masaji Yoshida, issued a statement which was broadcasted through *Rengo* service, in which he charged that the American silver policy was chiefly responsible for China's present financial difficulties and declared further that the U.S. treasury's silver purchase plan was a "direct violation" of the London silver pact of 1933. The Japanese banker then went further and expressed the hope that Great Britain and the other Powers "would bring pressure upon the United States and force a discontinuance of a policy which was the chief external cause of China's financial difficulties."

Why the Japanese should be so interested in "protecting" China against the American silver-purchase policy is not apparent on the surface, but the extensive Japanese propaganda on the subject leads to the belief that they have some other motive in mind, possibly a hope that they might divert the attention of the Chinese people away from recent Japanese activities camouflaged under the heading of "cooperation," which were designed for the purpose of converting China into a financial and economic colony of Dai Nippon. Or the Japanese may be trying to divert attention away from the critical financial situation which recently has developed in the puppet state of Manchukuo involving the collapse of the gradiose currency scheme which the Japanese army foisted on the people of China's northeastern provinces. Although it is not yet generally known in China it is nevertheless a fact that the new central bank and currency system which the Japanese inaugurated in Manchuria has practically collapsed. The Manchukuo dollar notes can no longer be converted into metallic currency and have slumped so badly in relation to Chinese currency that the people are rapidly losing confidence in the new monetary unit.

However, it is incorrect to hold the Japanese propagandists responsible for all of the commotion about silver and its connection with the present financial crisis in China. While the high price of silver resulting from the American purchase policy was indirectly responsible for the export to London of a considerable portion of China's metallic reserves last year, it is incorrect to attribute all of China's financial ills to the American silver purchase plan. Also, it is incorrect to hold the American government solely responsible for the present high price of silver, because the original decision to stabilize (increase) the price of silver was taken at the London Economic Conference in the summer of 1933, a conference which was attended by delegates from China and other nations as well as from the United States. But prior to the London conference there had been an agitation for higher silver prices not only in the United States but also in Great Britain, India, Canada and other nations where silver is produced.

According to a historical review of the silver situation which appeared in a recent bulletin of the American Asiatic Association, Senator Key Pittman, who represents the silver producing state of Nevada, urged President Hoover in 1931 to call an international silver conference. The same year the International Chamber of Commerce urged an international selling agreement for silver. In 1932 when Senator Pittman introduced his first silver purchase bill in Congress he had the support of both Canadian and British financiers. On June 15, 1933 the U.S. treasury permitted Great Britain to make its token war debt payment of $10,000,000 in silver at the rate of 50-cents an ounce, which was a good business deal for England because the British government had purchased the silver from India at 36-cents an ounce.

The low price of silver which previously prevailed had been caused by the action of many countries in reducing the silver content of their coins, in fact the United States was practically the only important nation which had not taken such action. China's action in requiring customs payments in gold units also had a detrimental effect on the price of silver, but of most importance was the action of India in selling large quantities of silver on the world's markets. On July 22 1933 eight nations signed a silver pact at the London Economic Conference, in accordance with which India, China and Spain, owners of the largest silver stocks agreed not to dump their product on the world market and also agreed to limit their sales of silver. Australia, Canada, United States, Mexico and Peru, the largest producers of Silver, simultaneously agreed to restrict production and to absorb part of their reduced output for coinage of currency reserves. This agreement was to hold good for four years from date of ratification, April 1, 1934.



Washington's silver-purchasing policy and the visit of the American Economic Mission in Shanghai have been the inspirations for many lively cartoons in local vernacular papers, indicating the effect of the policy on Chinese finance. Top: Roosevelt is at the wheel of NRA, its tire being the silver-buying policy; the child, China, is the victim while the American Economic Mission in the person of Uncle Sam looks nonchalantly on. Reproduced from *Hsin Ya Pao*, Lower: the American Economic Mission should take the long-view in connection with Sino-American economic co-operation, in the opinion of the *Shun Pao's* cartoonist. Both cartoons reprinted herewith from *China Press*, April 28.

On June 19, 1934 President Roosevelt signed the American silver purchase act which declared it to be the policy of the United States to increase the proportion of silver to gold in its monetary stocks until one-fourth of the monetary value of such stocks be in silver. The Silver Purchase Act, however, was permissive rather than mandatory in its authorization for the President to increase the proportion of silver to gold in Government monetary stocks. While it generally had been assumed that China desired a high silver price, a sensation was created in New York by an address delivered by a well known Chinese merchant, K. C. Li, who declared that China, the world's largest user of silver, did not favor a sudden advance in its price, despite the fact that the price at that time was ver low. He declared that China wanted silver to find its own level, not affected by artificial action.

But the prospect of higher prices resulting from the U.S. Silver Purchase Act, despite the fact that America's purchases were confined to domestically produced silver or stocks already in the

United States, had the effect of stimulating world-wide speculation and that in turn was responsible for the abnormal increase and the export of a considerable portion of China's stocks to London where they are now held by speculators. Since most of China's available stocks of silver were held in Shanghai, speculators, including foreign and Chinese bankers were not able to resist the temptation to sell at a profit, hence more than half of the available stocks were shipped out before the National Government, becoming alarmed at the depletion of reserves, succeeded in arresting the tendency by placing a tax on exports. Since that time shipments have been reduced, excepting, of course, the activities of the smugglers, but the serious depletion of bank reserves against which stand large issues of notes and government bonds has been responsible for a currency crisis the seriousness of which is now the chief cause of anxiety as to the ability of China to remain on a metallic monetary basis.

Had the Chinese government possessed sovereign power with police control over its chief port the present crisis might have been obviated through governmental action prohibiting the export of silver early last year, but China did not possess the power; hence the damage already has been done. In many respects China is the victim of a monetary battle between Britain and America and the European powers which has been in progress since Britain (and Japan) departed from the gold standard early in 1931. The United States, in self defense, was finally compelled to take similar action in order to protect her overseas trade, hence the battle has been on with increasing seriousness since that time. In order to overcome the economic depression strong movements have been in progress in the United States to inflate the currency, one being by the simple process of printing more paper money and the other through the use of silver as note reserves along with gold. At present the silver advocates have the upper hand and since the U.S. Treasury, in carrying out the mandate of Congress, must continue to purchase this means that speculators on the London market, in the hope of realizing ever increasing profits, constantly bid up the price. What the end will be no one can forecast. According to the historical review published by the American Asiatic Association, referred to in the foregoing, persons of long experience in trading with silver, either in the Orient or in Latin America, have little faith in bi-metallism, chiefly due to often bitter experience from wide fluctuations of the price of silver as a metal. The reason for this is two-fold: untold sums of silver in the hands of the people in Asia and Latin America, which have time and again wrecked the best laid silver plans, and second; silver is more subject to over-production than almost any other metal due to the fact that it is produced as by-product in the mining of copper and lead ores entirely without any regard as to the requirements for silver on the world markets. These two obvious factors make any attempt on a large scale to regulate artificially the world price of silver an exceedingly dangerous proposition and likely to have the same ill effect as various abortive attempts to control the price of world crops. It is exceedingly doubtful, in the present disturbed state of world affairs, whether the proponents of silver will be able to obtain any agreement among the nations establishing the price of silver in its relationship to gold. Ordinarily, when business picks up in Asia the large stocks of silver in Shanghai and Bombay soon disappear into the interiors of China and India and the price of silver goes up accordingly. But now the price has been boosted by artificial means and there has been no corresponding increase in business. Silver stocks in Shanghai have disappeared, but instead of passing into the interior of China they have gone abroad and China is in a most serious predicament about the future of her currency. She is faced with the alternative of abandoning silver as a basis and adopting some form of "managed" paper currency, or with the more serious problem of buying back from the London speculators the large stocks which were shipped out of China last year by those who were more interested in immediate profits than they were in maintaining the stability of the nation's currency.

New Gambling House Opened Near Bubbling Well Station

The latest of a half-dozen or more gambling houses recently opened in the western district of the International Settlement, opened its doors for business last week in a building near the new Paramount cafe on Jessfield road within a short distance of the Bubbling Well police statiou. The new institution is said to cater to Chinese exclusively and specializes in both roulette and Chinese gambling devices. Another new place also was opened recently on Medhurst road, also in in the Bubbling Well police area. While most of the new resorts are in the Bubbling Well disirict there are a few smaller ones in other areas, one allegedly operating in an apartment house on North Soochow road.

T. B. Chang Resigns as Manager of "The China Press"

Owing to protracted illness and the consequent necessity of a prolonged rest, T. B. Chang has resigned from his post as managing director of the *China Times*, the *China Press*, the *China Evening News* and the *Shun Shih* News Agency, according to a report published in the *Shun Pao* April 30. Pending the appointment of a new managing director to succeed Mr. Chang, Tu Yueh-sheng will temporarily act in the positions relinquished by Mr. Chang. It is learned that the shareholders of the four agencies will shortly hold a plenary meeting to discuss the question of selection and appointment of a new managing-director and other important matters in connection with the four agencies.

Commerce Department's Inspectors Declare Dollar Line Boats 100 Per Cent Safe

Six more Dollar Line ship captains have been formally advised by U. S. Secretary of Commerce Daniel Roper that their respective "President" commands have passed the most rigid tests of department inspectors and found to be 100% safe and in "excellent condition" as regards operation and discipline. The decision to check the operation and discipline on all American passenger carrving merchant vessels came as a result of the *Morro Castle* disaster. The Dollar Line executives express extreme satisfaction that all of their vessels checked by the Department of Commerce inspectors have passed muster with the highest ratings.

Canton Assigns Three Cruisers for Anti-Piracy Service—British Cooperate

The Kwangtung provincial authorities are placing three cruisers on a permanent anti-piracy patrol along the southern coast. The warship *Hai Chi* has been designated flagship of the patrol and will operate from Bias Bay with a shore party of 200 marines aboard. The British naval authorities at Hongkong are continuing their close co-operation with the Chinese officials in the suppression and prevention of piracy, and are maintaining a destroyer patrol along the coast.

Kinshui Sluice Reclaims 500,000 Mow of Land

(From the Review's Correspondent at Hankow)

THE formal inauguration of the Kinshui Sluice, by which 500,000 mow of land has been definitely reclaimed for agriculture, was held at Yukwanshan Dike, 30 kilometers upriver from Wuchang. The Kin river basin has always been subject to inundation from Yangtsze river backwater, in spire of the fact that a fine dike 55 kilometers in length had already been built from Maanshan near Kiayu to Chihchishan, near the mouth of the Kin river (Kinshui). Capable Chinese engineers under the direction of Col. G. G. Stroebe, American engineer, have completed the damming of the Kin river, the new dike extending several kilometers from Yukwanshan to Chihchishan. The mischief-making Yangtsze will nor be able to flood the Kin river basin again unless a worse flood than that of 1921 should occur. This basin comprises 2500 square kilometers of which 500 is lakes. With the blocking of the natural outlet of the Kin river, into the Yangtsze river, what was to be done with the impounded rain water?

In order to obviate this difficulty, three huge sluices were bored through Yukwan hill, each large enough to allow two large locomotives to pass through abreast. And each of these sluices is equipped with a set of steel gates on rollers, weighing 18 tons each. Because of the roller action, four coolies can easily operate the lifting or closing of these gates. This is the first time that such sluice gates have been installed in the Yangtsze valley. During the low water season of the Yangtsze the sluices are kept open and the impounded water gets a chance to flow out into the Yangtsze. In the summer months when the Yangtsze river water level is higher than that of the Kin river, the sluices remain closed, thus preventing 500,000 mow of land from being inundated.

The engineers of the Yangtze River Commission first noticed the possibility of engulfing the Kinshui by means of a dike between the Yukwan Hill and the Chihchi Hill. In 1925 an investigation commission was appointed and the possibilities of the project were explored and an estimate of cost made. However, the project lay dormant until T. V. Soong in 1932 ordered work to begin. In 1933 Generalissimo Chiang Kai-shek placed it under the National Economic Council of the Central Government, Nanking. The earth dam was completed in the summer of 1934, while the sluices were first put into operation in March 1935, thus allowing the impounded rainwater to flow out before the flood season of 1935.

At the inauguration of the Kinshui Sluice last Sunday (April 28) approximately 300 invited guests, were present including the consular and customs officials of the Wuhan center, besides many government officials and engineering students of the Wuhan University. After a review of the work accomplished by the efficient engineers, the whole company was banqueted in a huge mat-covered assembly hall.

Feng Li-ming led off with a speech on why the Kinshui Sluice was constructed. He was followed by Col. G. G. Stroebe, who related how the Project was completed and the problems confronting the engineers at every stage. At times 2000 coolies, were employed to carry dirt, in addition to 250 small boats. Chen Tseng-hsien represented the National Government and General Chiang Kai-shek. He stressed the benefit of the Project to the farmer.

With the addition of 500,000 mow of land to the agriculture area of this region, one cannot but congratulate the national leaders on their keen insight into ways and means of raising the standard of living in China by helping the farmers to help themselves. This new section of land is to be sold at reasonable price to farmers. The value of the rich land far exceeds the cost of the dam and sluice. Chang Hua, representing the Reconstruction Commissioner of Hupeh, also expressed his gratitude for what the Generalissimo had made possible.

Kinshui Project Only a Beginning

Similar projects are being considered by the Central Government. An agriculture reclamation project with model farming methods is soon to be inaugurated in this area. Col. G. G. Stroebe intimated that the Nanking authorities were considering several schemes for the construction of a Lock, thus making it possible for the river traffic to pass the Kinshui Dike unhindered, and avoiding the portage taxes on goods shipped up and down the Kin river.

Reds Reported Victorious in Hunan

Breaking the cordon of the government troops, the Reds under Ho Lung on the 15th and 16th of April staged a strong comeback. The government losses of 2000 guns and large supplies of ammunition and food, only make Ho Lung stronger than ever. Tayung is reported to have fallen before the march of the Reds, who are reported heading for Lichow and Tsingshih.

Shenchow-Kweiyang Highway Soon Completed

The Hunnan and Kweichow authorities are pushing the construction work on the Shenchow-Kweiyang section of the Changsha—Kweiyang motor highway, hoping to have it finished in the near future. This road will be of the utmost strategic value to government troops in their fight against the Reds in western Hunan and northeastern Kweichow.

Marshal Chang Hsueh-liang Visits Honan

After a hurried visit to Kaifeng, Honan, and Siam, Shensi, where he conferred with the highest government officials about military and financial affairs, Marshal Chiang Hsueh-liang returned to Hankow last Saturday, April 27, in his private airplane. Plans for a concerted attack on the Reds in Szechuen under Hsu Hsiang-chien were broached.

Hankow, April 29 1935.

Russian Ambassador Calls on Wang Ching-wei in Nanking

M. Bogomoloff, the Russian Ambassador to China, called on Wang Ching-wei, President of the Executive Yuan, at Nanking Apr. 29.

The Netherlands Legation announced Apr 26 that Baron G. W. de Vos van Steenwijk will be appointed Minister to China, in succession to M. Thorbecke who retired in March. The new Minister is expected to arrive in China in July.

Dr. Oskar P. Trautmann, German Minister to China, returned to Peiping Apr. 25 from Shanghai.

G. B. de Weydenthal, Polish Minister to China, arrived in Nanking from Shanghai Apr. 26. He attended the meeting of the Sino-Polish Cultural Association. The Polish Ministry remained in the capital to supervise preparations for the holding of a ceremony on May 3 at the International Club in celebration of the Polish Independence Day.

Nelson T. Johnson, American minister to China, left Shanghai for Nanking by train April 29 night in company with two members of the American Economic Mission. The American envoy will stay in the capital for five or six weeks, after which he will return to Peiping to resume his diplomatic duties there.

Wu Pao-feng, technical expert of the Ministry of Communications, has been appointed Director of the Kiangsu Provincial Telegraph Administrarion and concurrently Director of the Nanking Telegraph Bureau, in succession to Chu I-cheng, resigned.

Hau Ying-chih, former Director of the party Affairs Bureau attached to the 11th Army, was appointed Apr. 26 by the Anhwei Provincial Government to serve as Commissioner of Public Safety for Anking, provincial capital of Anhwei.

The Fukien Provincial Government Apr. 27 has appointed Shen Chin-keng as Director of Public Safety in Amoy.

Sze Chi-yin has been appointed senior secretary of the Ministry of Communications to succeed Yang Tse-yi, who recently assumed his new post as magistrate of Chungshan Model District.

Dr. Pi Tso-chiung, senior technical expert of the Ministry of the Industry and formerly professor at the National Wuhan University, has been appointed by the Ministry of China's delegate to the International Afforestation Conference which will be held at Brussels in Belgium in July this year.

Wu Tse-hsiang, newly appointed Special Inspector of Foreign Affairs for Szechuen and Hsikang, arrived in Chunking last week to assume his duties. It is announced that Mr. Wu will leave for Hsikang province shortly on a tour of inspection.

Tang Chen-po, newly-appointed head of the Tientsin Bureau for Examination and Testing Commercial Commodities under the Ministry of Industries, assumed the duties of his office Apr. 22.

General Chang Wei-chang, formerly Director of the National Aviation Administration and newly appointed Minister to Cuba, called on President Wang Ching-wei at Nanking Apr. 21 and asked for instructions regarding the date of his departure for Cuba, and other matters.

City Bureau Announces Regulations Governing Leasing of Land by Foreign Missionaries

Permission and approval of the Bureau of Land of the City Government of Greater Shanghai must be obtained for any lease of lands by foreign missionories in Shanghai, according to a set of nine regulations announced by the bureau Apr. 26.

The regulations provide that in leasing land, the missionaries must in addition to the temporary regulations for lease of lands by foreign missionaries in the interior as promulgated by the Ministry of Foreign Affairs of the National Government, obey the provisions of these local regulations, one of the stipulations of which is that upon conclusion of the lease, the Mission must pay a registration fee which is to be one per cent of the total rent. Both parties are to pay $2 as fee for the document. These regulation are to be enforced on the day they are approved by the City Government of Greater Shanghai.

Ariyoshi Urges Prudence in Reporting Sino-Japanese Situation; More Red Chiefs Believed Killed

HIGH LIGHTS IN THE EVENTS OF THE WEEK:

1. **Ariyoshi Deprecates Japanese Reports on Sino-Japanese Situation.**
2. **Tremendous Increase Registered in Japan Trade with China.**
3. **Six Japanese Loans to China Have Been Adjusted.**
4. **Oriental Industry Conferences to Be Held in China This Fall.**
5. **Conflicting Reports on Mission of Yin Tung's Visit to Japan.**
6. **Bogomoloff Repudiates Soviet's Designs on Chinese Territory.**
7. **Foreigners Advised to Evacuate Yunnanfu in View of Red Menace.**
8. **Rumors of Gen. Chiang Kai-shek's Indisposition Officially Denied.**
9. **More Communist Chiefs in Kweichow Believed Killed.**
10. **Many Red Cities in Kweichow and Szechuan Recovered.**

Prudence in the Japanese attitude towards China was advised by Akira Ariyoshi, Minister to China, in an interview with Koki Hirota, Foreign Minister, on April 24, according to *Rengo*. Mr. Ariyoshi reportedly deprecated the reports appearing in the Japanese press to the effect that General Chiang Kai-shek and President Wang Ching-wei showed a pro-Japanese tendency. Such reports, Mr. Ariyoshi said, provided opportunities for political maneuvering on the part of the so-called "European-American clan" and at the same time, aroused suspicion in Canton that some kind of an agreement for co-operation had been reached between Nanking and Tokyo. Mr. Ariyoshi, *Rengo* learns, had not yet broached the subject of his resignation, and should he do so political circles believe that Mr. Hirota will strongly urge him to remain in his post.

Prudence in Japan's China policy was urged upon Mr. Ariyoshi, by General Senjuro Hayashi, War Minister, in their interview April 26. While welcoming China's reported change of attitude towards Japan, General Hayashi was reported as having advised Mr. Ariyoshi that proposals for Sino-Japanese co-operation are meaningless if merely talked about.

TREMENDOUS INCREASE REGISTERED IN JAPAN TRADE WITH CHINA

A remarkable improvement was made in Japan's trade with China and "Manchukuo" for the first quarter of the current year, exports and imports balancing at Yen 52,000,000 in favor of Japan, according to a Tokyo correspondence published in the *China Press* April 25.

The outstanding feature of the trade for the period is that a substantial gain of 15,000,000 yen, or 52 per cent. was registered in the exports to China whereas the value of the shipments to "Manchukuo" and the Kwantung Leased Territory showed an increase of Yen 22,000,000 or 29 per cent.

The marked gain in the exports to China is believed ascribable chiefly to the betterment, attained recently in the diplomatic relations between China and Japan and the resultant subsidence of the anti-Japanese agitation throughout China.

Japan's sugar exports to China for the first three months of this year totalled 633,000 piculs, an increase of 273,000 piculs over the amount shipped in the corresponding period of last year, according to *Rengo*.

According to a *Nichi Nichi's* special dispatch from Dairen, China has ordered a number of railway coaches from the South Manchurian Railway Company valued at Yen 1,000,000.

SIX JAPANESE LOANS TO CHINA HAVE BEEN ADJUSTED

According to *Rengo*, six Japanese loans to China have already been adjusted as a result of negotiations with the Nanking Government. These include:

1. The Peiping-Suiyuan Railway Loan, in which the East Asia Industrial Company and the Mitsui Bussan Kaisha were the joint investors.
2. The Second Telegraph Loan, negotiated by the East Asia Industrial Company.
3. The Telephone Loan, granted by the Japan-China Industrial Company.
4. The Shantung Provincial Loan made by the same concern.
5. The Tientsin-Pukow Railway Loan, negotiated by the Mitsui Bussan Kaisha, and
6. The Nanchang-Kiukiang Loan, an agreement on which was recently reached by a representative of the East Asia Industrial Company.

In addition to these, an agreement for the adjustment of the Yen 10,000,000 Peiping-Hankow Railway loan, underwritten by the Yokohama Specie Bank in 1911, has been initialled recently between the representatives of the Bank and the Nanking Ministry of Railways.

A provisional agreement on the readjustment of the Kiukiang-Nanchang Railway loan has been initialled between Katsuji Uchida, Managing Director of the East Asia Industrial Co., Ltd., and the Ministry of Railways of the Nanking Government, *Rengo* reported April 24. The main points of the agreement were to fix the Chinese debt at Yen 18,000,000, of which Yen 8,000,000 represent interest in arrears. The future rate of interest was set at six per cent, instead of the original rate of 6.75 per cent. The total debt is to be paid by the Ministry of Railways within 24 years. The Japan Industrial Bank, the Bank of Taiwan and the East Asia Industrial Company are the main investors concerned. An agreement has also been reached between the holders of the Peiping-Hankow Railway bonds and the Chinese railway authorities. The bonds, Yen 9,340,000 of which still remain unpaid, in addition to approximately Yen 4,800,000 in unpaid interest for 13 years, were the first bonds of the kind offered for public subscription in Japan.

JAPANESE PAPER OPPOSES PROJECTED BRITISH LOAN TO CHINA

If Great Britain gives China a £20,000,000 loan it will form "a plot to impede the improving Sino-Japanese relations," according to an editorial article in the *Hochi*, a leading daily in Tokyo, April 24.

"If the reports of a £20,000,000 loan are true, such a step constitutes an interference with the established policy of Japan, both because of the European meddling in Far Eastern Affairs and of the size of the loan," says the editorial. "The Sino-Japanese co-operation is showing hopeful signs, but it would be a hasty conclusion to contend that all obstructions have already been removed. We must be cautious and prudent" the paper advises.

China's present monetary difficulties will not become serious if the Chinese government and banking circles co-operate. This was the opinion voiced by a representative of the Yokohama Specie Bank at a conference of Finance Ministry officials and banking exports held on April 24 at Tokyo, according to *Rengo*. The conferees agreed that the continued steadiness of the Anglo-Japanese exchange rate testifield to the adequacy of the present quotations in that they reflected the requirements of Japanese industries, *Rengo* was told.

ORIENTAL INDUSTRY CONFERENCES TO BE HELD IN CHINA THIS FALL

Seeking to obtain the cooperation of Chinese industrialists in a series of projected oriental industry conferences to be held this fall, an official of the "Koseikai" Society, a group

dedicated to the development of industrial manufacture, left Nagasaki on April 28 for Shanghai according to *Rengo*. If the Koseikai's plan materializes, the conferences will take place in October this year in Shanghai, Nanking, Tsingtao, Tsinan, Tientsin, Peiping, Dairen, Mukden, Changchun, Harbin and Seoul, for periods ranging from one day to five days.

If the conferences in North China, Manchoukuo and Korea prove successful, the Society authorities are planning similar talks for next year in Foochow, Amoy, Canton, Kwangsi, French Indochina, the Straits Settlement, Siam, India, the Netherlands East Indies and the Philippines,

TANG YU-JEN DENIES REPORTED INDUSTRIAL CONFERENCES

Tang Yu-jen, Vice-Minister of Foreign Affairs, interviewed at Shanghai April 27, categerically denied the reports that a series of the so-called oriental industry conferences will severally be held at Shanghai and Nanking in coming October. He said that the Government had not received any requests from any quarters regarding the proposed conferences nor had any official knowledge of the same. Mr. Tang also denied that Akira Ariyoshi was resigning from his post. According to Mr. Tang, Mr. Ariyoshi would shortly return to China.

YIN TUNG DENIES POLITICAL SIGNIFICANCE OF HIS VISIT TO JAPAN

"I have no other mission in Japan besides that of attending the conference of various international tourist organizations," Yin Tung, Managing Director of the Peiping-Liaoning Railway, declared following his arrival at Shimonoseki.

"However, if circumstances permit, I will meet some of my acquaintances in Japan and we will naturally talk about Sino-Japanese problems. But that will be entirely private. As this is my first visit to Japan in seven years, I intend to make an extensive sightseeing tour throughout the country," Mr. Yin said. He emphatically denied reports that he would succeed General Huang Fu as chairman of the Peiping Political Council following the latter's appointment as Minister of the Interior of the National Government.

YIN TUNG TO DISCUSS FRANKLY SINO-JAPANESE ISSUES

A frank discussion of Sino-Japanese relations in North China is scheduled to be held between Mr. Yin, and the high officials of the Gaimusho and War Office, according to *Rengo*. Ostensibly Mr. Yin had come to Japan to attend the Oriental Tourist Confereence, *Rengo* explained.

The people of China are in agreement with the ideas expounded by Koki Hirota, Japan's Foreign Minister, declared Yin Tung on his arrival at Tokyo April 30 afternoon. As the result of the efforts of General Chiang Kai-shek and other officials of the Nanking Government, Mr. Yin continued, the anti-Japanese movement is being gradually suppressed. Slackening of the boycott on Japanese goods and the revision of text books to eliminate anti-Japanese portions were given by Mr. Yin as some of the demonstrations of the improvin- sentiment in China.

Chen Chung-fu, a member of the central disciplinary committee of the Chinese Government, who is in Japan as a representative of the south-western faction in China, held a conference April 19 with the War Minister, General Senjuro Haya-shi, and the Vice-Minister, Lieutenant-General Hashimoto, at the War Minister's official residence. General problems between Japan and China were discussed, *Nippon Dempo* reported, and particularly those between Japan and the Canton government.

RE-OPENING OF CONFUCIAN SANCTUARY IN TOKYO CELEBRATED

The opening meeting of Oriental Confucianists was held at 9 a.m. April 28 in the presence of a large gathering of Japanese Government officials and representatives from China, Manchuria, Korea and Formosa. Prince Iyesato Tokugawa made the opening address in which he stressed the need for propagating Confucianism throughout the Orient in order to promote peace. A speech of welcome was made by Genji Matsuda, Minister of Education. The conference, which reemained in session until May 1, was held to mark the dedication of the Confucian Sanctuary at Yushima, Tokyo. Kung Chao-hsun, a descendant of Confucius; Yin Chen-hung, a descendant of Yencius; Chen Jen-chung, former Chinese vice-Minister of Education; Cheng Tsu-hsi, a Chinese poet, and six others represented China at the Confereence.

An image of Confucius, enshrined in the Sanctuary, was donated by the Japanese Imperial Family. It originally belonged to Chu Shun-sui, a retainer of the Ming Dynasty.

General Ho Chien, chairman of the Hunan Provincial Government, recently also donated a portrait of the sage to the sanctuary.

A party of 20 Chinese headed by Chen Hsi-san, secretary-general of the Tientsin Y.M.C.A., arrive at Kobe April 26 aboard the O.S.K. Liner *Chojo Maru* on a two week sight-seeing trip of Japan, organized by the Tientsin Young Men's Christian Association.

MEIJI OFFICIALS TO VISIT CHINA ON LECTURE TOUR

Three Meiji University scholars left Kobe, April 28, for Shanghai at the invitation of more than 2,000 Chinese graduates of the institution. They are: Dr. Tomosaburo Kinoshita, former President of the University, Dr. Kotaro Shida, director of the Commerce Department of the school; and Marquis Yasumasa Matsudaira, a Meiji University professor.

Five members of the Seiyukai, Shohei Fujinuma, former chief of the Metropolitan Police Board: Sabura Yasumi; Seiko Ohta; Budaiyu Kogure; Keishiro Sukekawa and Chu Funata, left Tokyo for Shanghai May 1 on an extended tour in China.

JAPANESE BARRACKS AT SHANHAIKWAN COMPLETED

The new barracks of the Japanese Gandarmes at Shanhaikwan costing more than $100,000 have been completed. The dedication ceremony of the new Headquarters was held there on April 28, attended by many officials of the Japanese and "Manchukuo" organs at Shanhaikwan.

Gen. Umezu, Commander-in-Chief of the Japanese army forces in North China, reviewed the Japanese troops stationed there on April 29 at Palitai on the occasion of the birthday anniversary of the Japanese Emperor.

NEW PEACE PRESERVATION CORPS TO ENTER WAR ZONE IN MAY

According to Tao Shang-min, Administrative Inspector of the Luantung Area, satisfactory arrangement has finally be made with the Japanese military authorities regarding the dispatch of the new Peace Preservation Corps to the Demilitarized Zone which had formed a subject of protracted negotiations between the Chinese and Japanese officials. It is learned that the Hopei Provincial Government has issued an order to the Commander of the Corps, instructing him to hold his units in readiness to much into the Demilitarized Zone. It is expected that the first detachment of the Corps will enter the Luantung Area in the first week of May.

General Ho Ying-chin, Chairman of the Peiping Branch Military Council, arrived at Tsinan from Peiping April 29 to inspect the troops there. On April 30, he proceeded to Tsingtao on the same mission.

WANG LUN DIES IN PEIPING

General Wang Lun, Departmeental Director of the Board of General Staff, died in the P.U.M.C. Hospital April 23 of injuries sustained from a fall while riding in the Chunghai Park in Peiping. The late general, aged, 43, was a graduate of the Peking Military College.

EIGHT MEASURES ON THE AGENDA OF 2ND SESSION OF MONGOLIAN COUNCIL

The 2nd plenary meeting of the Mongolian Local Autonomy Political Affairs Council was formally opened at Pailingmiao on April 23 with a memorial service held in commemoration of the first anniversary of the establishment of the Council, and the birthday anniversary of Genghiz Khan, the great Mongol ruler (1162-1227 A.D.).

Following the function, a preliminary meeting was held with a total of over 30 members in attendance. Among the topics on the agenda are the following:

(1). Establishment of a Mongolian Local Autonomy Training Institute.

(2). Organization of a Mongolian Peace-Preservation Training Corps.

(3). Opening of a Public Hospital in Mongolia.
(4). Building of a Model Village in Mongolia.
(5). Establishment of a Mongolian Cultural Institute.
(6). Opening of a Mongolian Normal School.
(7). Establishment of Productive, Trade and Real-Estate Co-operative Societies in Mongolia.
(8). Establishment of Highway, Public Utilities and Camel Transportation Bureau.

SOVIET REPUDIATES DESIGNS ON CHINESE TERRITORY

An assurance that the Soviet Government does not harbour territorial designs in Sinkiang, was given on April 29 by Dimitri Bogomoloff, the Russian Ambassador to China, in his first conversation since his return from Moscow with Wang Ching-wei, President of the Executive Yuan. The interview between the two diplomats lasted for more than one hour. It was announced that the Soviet Ambassador, there was absolutely no truth in the rumours that Soviet on behalf of his government, had informed Mr. Wang that Russia had designs on Sinkiang. On the contrary, he declared, Soviet authorities sincerely wished a continued growth of the close relations between Sinkiang and China proper.

SINO-SOVIET NON-AGGRESSION DIFFICULT TO REALISE—JAPANESE VIEW

Commenting on the report that a non-aggression pact between Soviet Russia and China is being negotiated in Moscow, the Japanese Foreign Office expresses the view that such a pact is difficult of realization, according the *Asahi Shimbun* April 24. The official interpretation of the situation is that judging from the present conditions in each country concerned, it is very difficult for Soviet Russia and China to bring such a pact into being. Even the report that the talk in Moscow for the conclusion of the pact is making progress, it seems that there are too great technicial difficulties accompanying the talk to allow an agreement of views between the two countries.

The *Asahi Shimbun* on April 23 reported that interviewed by newspaper representatives at Shanghai, the Soviet Ambassador to China, D. Bogomoloff said:

"Conclusion of a Sino-Soviet Commercial Treaty and Sino-Soviet Non-Aggression Pact was negotiated some time ago at Nanking, but the negotiations were at one time suspended. However, the negotiations have been re-opened and are now in progress between Dr. W.W. Yen, Chinese Ambassador to Moscow, and the Soviet authorities at Moscow."

The *Tass News Agency* issued an official denial of the reported interview with M. E. Oshanin, Secretary of the Soviet Embassy in China, as published by the *China Times* on April 27.

"Referring to the question of conclusion of a commercial treaty between China and the Soviet Union, Mr. Oshanin said that before Ambassador Bagomoloff had a chance to meet the officials of the Chinese Government, nothing regarding the matter could be divulged. The issue of the Chinese Eastern Railway was now a matter of the past and any information regarding the effect of the protests filed by the Chinese Government against the transfer of the railway had to be sought from Moscow."

The *Tass* reported on April 27 that General Shen Shih-tsai, Defence Commissioner of Sinkiang, has declared "The Sinkiang Provincial Government has established friendly relations with the USSR, which have considerably assisted the reconstruction of the Province."

FOREIGNERS ADVISED TO EVACUATE YUNNANFU IN VIEW OF RED TREAT

All British women and children in Yunnanfu, provincial capital of Yunnan, have been advised to evacuate because of a Communist thrust to a point about 100 miles from the city. One reliable estimate says that a body of 3,000 Reds crossed into Yunnan near Huanghiho. Other reports declare that the total force is between 10,000 and 20,000.

American residents of Yunnanfu have been advised on the situation and told to hold themselves in readiness to evacuate at short notice. There are known to be 18 American residents there and approximately 100 altogether in the whole province. A present there are between 30 and 40 British nationals at Yunnanfu, with a number more scattered through the province, chiefly at mission stations.

It appears that the main body of the invaders went through Huangtsaopa, otherwise known as Singyi, on the Yunnan-Kweichow border, due east of Yunnanfu. The nearest Yunnanese concentration, numbering 10,000 men, is at Pingyi, about 50 miles north of Huangtsaopa, while the nearest governmeent troops in pursuit of the Reds are at Panhsien, on the Yunnan-Kweichow border, near Pingyi.

Proceeded by a vanguard of 3,000 the main Communist forces from southwest Kweichow have entered Yunnan Province near Huangniho, a 100 miles due east of Yunnanfu and only 75 miles from the Yunnan-Hanoi Railway town of Lliang, according to foreign telegrams received in Peiping April 28. The Communists have apparently evaded or routed the srong garrison of Yunnan troops concentrated at the town of Hsingi in the extreme southwestern part of Kweichow to intercept them.

A *Reuter* report from Paris states that in view of the advance of Communist troops in Yunnan province, the Minister of Colonies, M. Rollin, announced on April 27 that stringent precautions were being taken to protect the frontier of French Indo-China and the Yunnan railway. M. Rollin declared that at the present time, however, inhabitants along the frontier were not in any danger.

A military communique from the front states that the main "Red" forces invading Yunnan province have reached a point between Kutsing, 104 miles east of Kunming, provincial capital of Yunnan, and Changyi, which is 10 miles north of Kutsing.. Various columns of the 2nd Route Army (which is composed of Central Government, Kweichow and Yunnan troops) under General Lung Yun, Chairman of Yunnan, are rushing from south-western Kweichow to the Yunnan border to effect junction with the Yunnan Provincial units.

KWEICHOW REDS LOSE HEAVILY DURING FLIGHT TO YUNNAN

The bandit situation along the Kweichow-Yunnan border in the past week is summarized in an official bulletin, issued by the Headquarters of General Lung Yun. According to the bulletin, the main forces of the "Reds" during the early part of the week escaped towards Panhsien, south-western Kweichow, near the Yunnan border closely pursued by two Government divisions. At the same time 3,000 outlaws, serving as the left wing of the fleeing "Reds," were pressed by the 3rd Yunnan Brigade under Major-General An Tsuan-tsang. On the afternoon of the 24th, Major-General An reports in a telegram, his men encountered the rearguards of the "Reds" at Siaochang, south-western Kweichow. As a result of two hours' fighting, several hundred marauders were killed. The "Reds" continued their flight to Panhsien to join their main forces, but with the Government forces on their heels, another engagement occurred near Shaohai the next morning. 200 bandits were killed and 100 rifles captured during the encounter. The Yunnan troops sustained 30 casualties.

Driven away from Kutsing, east of Kunming (Yünnanfu), the "Reds" invading eastern Yunnan are fleeing in a north-westerly direction towards Suntien, 72 miles north-east of Kunming. Pressed by the Central Government and Yunnan forces, the outlaws are making for the Yunnan-Szechuan border with a view to crossing the Kin Sha Kiang (River) and entering south-western Szechuan. Both Kutsing and Changi, eastern Yunnan, are now cleared of bandits.

GENERAL CHIANG KAI SHEK BUSY AND IN SOUND HEALTH

The rumor, which recently gained circulation in Shanghai to the effect that General Chiang Kai-shek, President of the Military Affairs Commission, had been taken ill, was officially denied at Nanking April 29. According to an official message received from Kweiyang, the Generalissimo is in sound health and busy in directing the campaign against the Communists in Kweichow and planning admistrative reforms for the southwestern provinces. During the past few days, General Chiang has been communicating with the central authorities in connection with plans for the opening of a summer taining camp for party workers.

Persistent rumours in Shanghai concerning the health of General Chiang Kai-shek are believed to be attributable

to the illness of General Teng, Vice-Commander of the 93rd Division, according to a *Reuter* report from Kweiyang. General Teng was recently stricken with acute appendicitis and Dr. Gentry, an American mission doctor, arrived at Kweiyang from Chungking on April 22 to attend to him. This evidently led to rumours being spread in Shanghai that the Generalissimo was ill.

In an effort to expedite the collapse of the Communists in Kweichow, General Chiang Kai-shek has issued strict orders to prevent the smuggling of supplies to the Red forces.

MORE COMMUNIST CHIEFS BELIEVED KILLED

Finding the western route into Yunnan cut off by government troops, the Communists on April 27 turned and fled eastward of Chocking, but were sighted by Government airplanes at Paisui and bombed. It is officially claimed that over 300 Reds were killed, among them Yang Nai-kwun, political chief of the 1st Communist Army. Their forces thinned, the Reds then moved northward to Tsinyih, where they were attacked by other government troops, who, according to an official statement, inflicted about 600 casualties.

The depleted Communists are stated to be panic-stricken since they have received no news or orders from their Central Executive Committee since April 24. On that day government 'planes located the members of the Committee on a mountain trail and, official circles in Kweiyang believe, completely exterminated them, the victims including several Russians. On April 27, a captain attached to the Communist "execution corps," was himself executed at the headquarters of the Kweiyang garrison.

In accordance with a petition of the military Affairs Commission, General Kuo Shih-yen has been appointed Carrison Commander of Kweiyang, provincial capital of Kweichow.

MANY RED CITIES IN KWEICHOW RECOVERED

The recapture of Hinggjen, south-western Kweichow, is reported by General Hsieh Yo, Field-Commander of the 2nd Route Army of the Bandit-suppression Forces, in an official telegram. Chengyuan, an important Red base situated in the extreme east of Kweichow near the Hunan border, has been recovered by the Kweichow Provincial Forces under General Wang Chia-lieh.

Following the recapture of Kwangshun and Tinghuang, "Red" bases south of Kweiyang, a heavy detachment of Kweichow forces commanded by Lieut.-General Hsueh Yo, have been rapidly advancing southwestward from Chengning to Kwangsolin, while the units under General Chia-lieh are also swiftly moving towards Tungchowli.

The recapture of Tseyun and Kwanlin, two Red strongholds in southern Kweichow near the Kwangsi border, by the Kweichow Communist-suppression Forces, on April 26 is also reported.

NEW KWEICHOW OFFICIALS FLY TO KWEIYANG

General Wu Chung-hsin, the new Chairman of the Kweichow Provincial Government, Tsao Chin-yuan, Commissioner of Civil Affairs, Yeh Yuan-lung, Commissioner of Education and other members of the Kweichow Provincial Government, who arrived at Hankow from Nanking on April 28, left there on April 30 by plane for Chungking en route to Kweiyang to assume their posts.

The National Government issued on April 30 a mandate instructing the suspension of the collection of the farm tax in Kweichow during the 24th fiscal year. This step is taken in compliance with a request of General Chiang Kai-shek.

SZECHUAN PROVINCIAL GOVERNMENT SOON TO MOVED BACK TO CHENGTU

Teng Min-cha, Chief Secretary of the Szechuan Provincial Government, declared at a press interview on April 28 that repairs to the Government buildings at Chengtu having been completed, the removal of the Provincial Government from Chengking to it former seat will be effected in the near future. Preparations for the removal are under way and are expected to be completed shortly. General Liu Hsiang, Chairman of the Szechuan Provincial Government, who had been indisposed due to strain of duties, has now fully recovered, according to Mr. Teng.

Referring to the Red situation in northern Szechuan, Mr. Teng said that the Communists under Hsu Shang-chien are now being enveloped by a combined force of the Central Government and the Szechuan Provincial troops and that their final liquidation is now only a matter of time. The defences of Chengtu have now been considerably strengthened with the arrival of Government reinforcements and the fear of a Red incursion which once menaced the city is now definitely over.

It is understood that the Commander-in-Chief's Headquarters of the Szechuan Bandit-suppression Forces and the Rehabilitation Commissioner's Headquarters for Szechuan will also be transferred to Chengtu so that civil and military affairs may be administered at the same centre.

700 military cadets have been sent by General Liu Hsiang to Chengtu to assist in the work of building a chain of blockhouses and other defence works around various cities in western Szechuan.

COMMUNISTS SUFFER REVERSES IN SZECHUAN

The vanguards of the Szechuan Communist-suppression Forces have advanced to Tating in southern Szechuan in their pursuit of the remnant Reds under Chu Teh and Mao Tse-tung. The main body of the Reds is reported to have penetrated into Yunnan, while a part of them is being surrounded between Tating and Changfeng by a combined force of the Government and Szechuan Provincial Troops.

The campaign against the Communists under Hsu Hsiang-chien in Northern Szechuan is also making progress. The main force of the Reds there is concentrated in the vicinity of Kiangyu and Meinchu, but pressed by the hot pursuit of the Szechuan troops, they are retreating towards Chinping through contact with the pursuit force.

The city of Tsangki on the eastern bank of the Kia Ling Kiang (River), which was abandoned by the 2nd Route Army under General Tien Sung-jao last month, was recovered April 22. Lonan, about 70 miles east of Sian near the Shensi-Shensi troops April 23.

GEN. CHANG HSUEH LIANG RETURNS TO WUCHANG FROM INSPECTION TOUR

General Chang Hsueh-liang, Director of General Chiang Kai-shek's provisional Headquarters at Wuchang, who left there on April 23 for the northweest to inspect the troops in Honan and Shensi on behalf of the Generalissimo, returned to Wuchang on April 27 from Sian by airplane.

NOTORIOUS ANHWEI RED LEADER CAPTURED

Nin Tsun-sen, chairman Anhwei, was captured alive by troops under General Sun Yuan-liang at Tilichi near Taiping on the 26th. Large quantities of flags and red documents were also seized by the Government troops.

BROTHER OF RED LEADER MAO TSE-TUNG REPORTED KILLED IN ACTION

Mao Tse-tan, brother of the notorious Red leader, Mao Tse-tung, who held the post as a division commander in the Communist Army, was reported to have been killed in action on April 26 at Huanghsienkuo east of Juikin, Kiangsi where he and his cohorts had been in hiding since the retreat of the main body of the Communists from Kiangsi to Hunan and Kweichow last year.

ANOTHER RED LEADER SURRENDERS

Another "Red" chiftain, Pang Ke-cheng, under the command of Hsu Yen-kang, whose troops are now scattering around the Hunan-Hupeh-Kiangsi border, has surrendered to the Central Government.

SEVEN CONTROL COMMISSIONERS SWORN INTO OFFICE

Seven Control Commissioners (*Chien-Cha-Shih*) appointed by the Control Yuan for various areas were formally sworn into office April 30 at a ceremony held at the National Government House. The Commissioners are:

Ting Chao-wu—for Kiangsu.
Miao Pei-cheng—for the Anhwei-Kiangsi Area.
Chen Chao-ling,—for the Fukien-Chekiang Area.
Kao I-han—for the Hunan-Hupeh Area.
Fang Chio-hui—for the Honan-Shantung Area.
Chou Li-sheng—for Hopei.
Tai Kuei-sheng—for the Kansu-Ninghsia-Chinghai (Kokonor) Area.

Japanese Start to Release May 15 Conspirators from Prison

Eihan Gotoh, a ring leader of the band responsible for the atrocities of May 15, 1932, which culminated in the assassination of Premier Tsuyoshi Inukai, was temporarily released from prison April 28. Gotoh's ill-health was given as the reason for his discharge, ahead of other men involved in the case. According to his friends, he will retire from the Army and devote his time to the study of national history, under Dr. Cho Hiraizumi of the Tokyo Imperial University. Immediately after his discharge, Gotoh left Tokyo for Fukuoka where he is expected to receive a medical examination at the Kyushu Imperial University Hospital. Ten other Army men sentenced in the case are generally expected to be released on November 3, when the nation celebrates the anniversary of the late Emperor Meiji's birth.

Japanese Ridicule American Suggestion That They Are Selling Below Cost

Japan is compiling data, which was asked for from Washington, regarding the Japanese textile industry and the extent of its sales within America. The information will be sent to the special Cabinet Committee appointed by President Roosevelt to study the problem. The Tokyo Foreign Office April 24 ridiculed statements by American textile manufactures that Japanese interests were selling goods at below manufacturing costs. The spokesman said that Japan has merely worked out an efficient system for cutting down the cost of converting raw cotton into textiles.

Foreign Office Plans Reform of Commercial Affairs Bureau

Extensive reforms in the organization of the Commercial Affairs Bureau of the Tokyo Foreign Office will soon be effected following the approval by Mr. Hirota, Foreign Minister, of a draft plan prepared by Mr. Kurusu, Director of the Bureau. According to Mr. Kurusu's measures the Bureau will be divided according to geographical principles, the first section dealing with Asiatic and European affairs; the second with American-Japanese relations and the third with business matters relating to the South Seas, Oceania, and the African Continent. Mr. Matsushima will head the first section, while Mr. Tsuchida, and Mr. Wakamatsu will take charge of the second and the third sections, respectively.

Japan May Apply Trade Safeguarding Law to Readjust Trade with Canada

Application of the Trade Safeguarding Law to readjust Japan's present unfavorable trade relations with Canada was held inevitable by a high Foreign official in Tokyo April 27 commenting on a decision made at the fifth general meeting of the Trade Council to set up a subcommittee for the study of trade relations between the two nations. Japan bought Yen 54,093,000 worth of goods from Canada last year, while Canada imported from Japan only Yen 8,066,000 worth in the same period, according to Japanese official figures.

Japan Iron Manufacturing Company to Buy Iron Ore from Philippines

Contracts for the purchase of 300,000 tons of iron ore this year and 500,000 tons of the mineral next year, have been concluded between the Japan Iron Manufacturing Company and the owners of the iron mines in Calapan in the Philippines, *Rengo* stated April 25. This is the first time, that the company seeks its supply from the Philippines. Negotiations are also said to be in progress between the company authorities and iron mine owners in Japan proper and Korea for the purchase of the Kamaishi Mine, the annual production of which totals 320,000 tons; the Wanishi Mine, in Hokkaido, with an output of 200,000 tons; the Mitsubishi Mining Company, supplying 250,000 tons, and the Mozan Mine in Korea, with deposits estimated to range from 80,000,000 tons to 400,000,000 tons of ore. Funds necessary for the purchases will be sought by increasing the company's capital.

Japan May Establish Legation in Bagdad

The opening of a Japanese Legation in Bagdad, to provide a center from which governmental assistance and information may be given Nipponese exporters of commodities to the Near East, will be Proposed by the Bureau of Commercial Affairs of the Foreign Ministry when next year's Budget comes up for discussion.

Tourist Organizations to Meet in Tokyo May 2

A determined bid to attract tourist trade to the Orient will be made at a conference of various international tourist organizations to be held in Tokyo on May 2 for a week. Countries which will be represented at the conference will include China, Manchukuo, British India, Straits Settlements, Siam, the Philippine Islands and others.

Japanese Foreign Office Favors Holding Naval Parley This Year

A "strong desire" to hold the naval disarmament conference in the course of the year, as stipulated in the Washington and London Naval Limitation treaties, was expressed in Tokyo, April 25 by a spokesman of the Foreign Office.

Fire Causes Yen 300,000 Damage at Kawanishi Airplane Factory

Part of the Kawanishi Airplane Manufacturing Company at Naruo along the Hanshin line was destroyed by fire April 22. The total damage is estimated at about Yen 300,000.

Japan Requested to Co-operate in Child Welfare

Continuance of Japan's co-operation with the League of Nations' Commission for the Promotion of Children's Welfare, even after her withdrawal from the Geneva organization, was urged in a resolution at a meeting of the commission in Geneva April 25. "The Council of the League of Nations is requested to ask the Japanese Government to continue the dispatch of its representative to the commission, and Masayuki Yokoyama, the Japanese representative, is requested to co-operate with the commission in a capacity of advisory member by continuing his attendance to the present session of the commission," the resolution is reported to have stated.

More Echoes of the Minobe Theory of State

Five members of reactionary societies April 20 sought ot enter the Okitsu villa of Prince Saionji, the 86-year old "Genro," in an attempt to present a petition denouncing the so-called Minobe theory of State and demanding changes in the Cabinet. The group was led by Enodo Takahira, a director of a reactionary private school. The group attempted to enter the villa gate despite the protestations of the policemen on guard. Hearing the noise, the "Genro's" steward came out, and received the petition. The men were allowed to go.

Japan's Constitution is the embodiment of the Emperor's reign, which, in turn, is the basis of the national polity, according to a pamphlet issued by the powerful Ex-Soldiers' Association. The little booklet, 150,000 copies of which will be distributed, forms the Army's dictum on the theory advanced by Dr. Tatsukichi Minobe, that the Emperor is not the State, but merely an Organ of the State.

Baron Wakatsuki, one-time Premier of Japan and former President of the Minseito Party, April 24 said that he would not become a member of the National Policy Council if asked to do so, but urged the nation to support the projected "brain trust."

Army Prepares Scheme for Drastic Reform of Japan's Defenses

Rengo says drastic reforms of Japan's defenses are provided in a scheme prepared by the Army and soon to be officially promulgated. The new plan provides for the establishment of three defense districts, in Tokyo, Osaka and Northern Kyushu. The headquarters of the last are to be situated in Fukuoka. In Tokyo the Garrison Commander will transfer the duty of supervising the metropolitan defenses to a special Defense Commissioner.

Japan May Exchange Officers With Germany

If officially approached by the German Government, the Japanese army will agree to exchange officer-students with the Reichswehr, an Army spokesman stated in Tokyo April 26.

⁂

Youths Arrested for Murder Plot on Japanese Political Leaders

The lifting of a judicial press ban disclosed that twelve youths, all still in their teens, members of the "Young Blood Brotherhood" were arrested in Tokyo last December on a charge of plotting to murder Prince Kimmochi Saionji, venerable "Elder Statesman", Count Shinken Makino, Lord Keeper of the Privy Seal, and Dr Kisaburo Suzuki, president of the Seiyukai, majority party in the Lower House of the Imperial Diet. All men arrested have been committed for trial.

⁂

"Nippon Dempo" Opposes Government Proposal to Merge with "Rengo"

The Teito *Nichi Nichi* Shimbun on April 20 continued its comment on the fact that the Japanese Government has resorted to the policy of strengthening control of press news and views as evidenced by the recent control exercised by the Communications Ministry, (overseas broadcast), Foreign Office and Home Office. "This Government policy is giving rise to rumors about establishment of a news agency," this prominent provincial journal stated, adding that it is noteworthy that the *Nippon Dempo* which has continued its fight against such a trend has been somewhat alarmed at the present turn of affairs. *Nippon Dempo* through a resolution adopted by 10 local newspapers opposed the proposed merger of *Rengo* and *Nippon Dempo*, but the Government recently appears to be planning to enlarge *Rengo* alone. The Teito journal further commented: "Under such circumstances it is easy to see that *Nippon Dempo* has been put in a considerably difficult position. Seen from another angle the present measure may be regarded as an effort to force the merger at the eleventh hour. Some sections understand that the merger movement is bearing fruit steadily."

New Police Corps Organized at Harbin to Fight Bandits

A new corps of 200 mounted police, organized specially to deal with renewed bandit activities in Pinchiang Province, was formally commissioned at Harbin Apr. 18 in the presence of Governor Lu Jung-huan and a number of Manchukuo and Japanese officers. The new body will be known as the "Tsingsiang Police Corps" and consists of picked men recruited from the Manchukuo police and former White Russian Cossack cavalry troopers. It is expected to render valuable service in checking bandit attacks.

Japanese Officers Killed by Bandits Near Mingyuehkou

A group of 300 bandits, armed with a trench mortar and three machine-guns, was put to rout by an infantry squad belonging to the Japanese Independent Guard Corps following an engagement which took place at a point a few miles south of Mingyuehkou, on the Hsinking-Tumen line, April 17. One Japanese non-commissioned officer and another soldier were killed and two others wounded in action.

One Japanese officer and six soldiers, together with one Japanese military instructor, were killed in action April 22 when a squad from Tsuiyen in Antung Province, in conjunction with a police force engaged a group of bandits at Chuchang, 16 kilometres from Hsuiyen. Following receipt of the reports that a group of bandits, numbering about 100 strong, were in the vicinity, the squad and the police force were despatched to make a combined attack on the outlaws. The bandits, taken by surprise, staged a determined and stout fight, but were routed eventually.

Bandits Kill Two Japanese in Raid on Engineering Concern at Nigkutao

Two Japanese residents of were killed during the night of Apr. 20 when the officers of the Fujitagumi, Japanese engineering concern, at Nigkutao was attacked by a group of bandits. The bandits escaped with furniture and other office property.

Some 60 Manchukuoan villagers of a hamlet north-west of Shuichiliu Station, on the Harbin-Lafa line, where burnt to death by a group of bandits early in the morning of April 22. The outlaws, numbering more than 400 and armed with trench mortars and machine guns, made a sudden attack on the village. After having looted the village, the bandits set fire to the houses of the villagers.

Bandits Still Active on Yalu River

Bandits have been active on the Yalu River, according to recent reports reaching Seoul. A force of about 60 outlaws attacked four barges on the river April 21 and kidnapped nineteen Koreans and Chinese after looting the boats.

Bandits Blind Russian Farmer and Shoot His Companion Dead on Eastern Section of N.M.R.

A Russian farmer named Getmanoff was brought to a hospital in Harbin April 25 following a terrible ordeal at the hands of Chinese bandits near Shihtowhotze on the eastern section of the North Manchurian Railway. Getmanoff and a farm-hand, Muss, were kidnapped and held for $500 ransom. When, after 17 days, the money was not forthcoming Muss was shot dead and Getmanoff was tied to a sake, blinded with a steel skewer and left to die. His shrieks, attracted the attention of a Chinese hunter, who released him and led him to Shihtowhotze. It is feared that he will never recover his sight.

How the Bribe Money from Chang Hsueh-liang Was Spent

The *Asahi Shimbun*, of April 22 in noting that Takejiro Tokonami, Communications Minister, was found not guilty of receiving 500,000 yuan from Marshal Chang Hsueh-liang stated that the official investigations brought to light the fact that it was Kazufumi Tsuruoka, former member of the House of Representatives, who had received money from the Chinese Marshal. The amount was Yen 300,000 when exchanged into Japanese yen. It became clear, the *Asahi* said, that the money was all spent by Mr. Tsuruoka when he travelled to Soviet Russia or when he paid his debts or when he ran for a seat in the Diet.

Manchukuo's Foreign Trade in February Shows Gain

Manchukuo's foreign trade during February showed a gain of Yen 8,000,000 over the corresponding month of last year, with a total of Yen 89,540,000, according to figures released by the Department of Finance at Changchun April 26.

Oriental Development Co. to Issue Yen 30,000,000 in Debentures

Debentures to the amount of Yen 10,000,000 out of a projected issue of 30,000,000 will be placed on the market by the Oriental Development Company as soon as a permit is obtained from the Finance Ministry.

Coal Mine Control Awaits Reorganization of S. M. Railway

The Manchuria Coal Industry Control Commission met at Kwantung Army Headquarters in Changchun April 16 and decided that at some future time there will be necessity for the Manchuria Coal Mining Company to control the coal mining industry in all Manchuria, but for the time being the "two-organ system" will be adopted because of the need for consideration of an important problem, namely, the reorganization of the South Manchuria Railway.

Bank Officials Tour Manchukuo

Eleven representatives of the bank syndicate, which is underwriting Manchukuo state bonds, departed from Tokyo, April 29 for a three-week inspection tour of Manchuria at the invitation of the Central Bank of Manchu and the South Manchuria Railway Company.

Franco-Japanese Engineering Company Being Established

Arrangements have been made for the establishment of a Franco-Japanese joint capital company on the basis of joint capital supplied by the Toa Doboku (East Asia Engineering) Company and a French Company, for the purpose of engaging in engineering enterprises in Manchuria. It will be known as the Kyokuto Kigyo Koshi (Far Eastern Enterprise Company). It is to have a capital of Yen 1,000,000 (offered by the two companies, Yen 500,000 each.) A Japanese will be appointed president and a Frenchman, L. Merlet, will be appointed vice-president.

Machinery Manufacturing Company to Be Established in Manchuria

The Kobe Steel Works, which has heretofore supplied the South Manchuria Railway Company with cars, finding it necessary to have a machinery manufacturing plant in Manchuria in connection with material supply and transportation, has decided to establish a plant of its own with at a capital of Yen 10,000,000. The plant will be in the form of a new company to be known as Manchuria Iko (Casting Promotion) Company.

Readjustment of Manchukuo Currency System to Be Studied

Inconveniences arising from the double circulation of Central Bank of Manchu currency, and notes of the Bank of Chosen in Manchukuo, will soon be studied by the Manchurian Affairs Bureau of the Cabinet.

Bank notes of a value of Yen 136,724,616, representing 96.1 per cent of the variegated forms of currency amounting to Yen 142,234,881 issued under the former regime in Manchuria, had been withdrawn by the Central Bank of Manchu up to April 13.

Many Russian Students Thrown into Streets in Harbin

The closure of the Harbin Politechnicum by Manchukuo police authorities has thrown hundreds of students on to the streets in Harbin. Some of the students are Soviet citizens while others have become Manchukuo subjects, but even the Soviet students are frightened to return to U.S.S.R. because of reports stating that Harbin students are not welcomed back to their native land, according to the Russian press.

Henry Pu Yi Returns to Changchun

Henry Pu Yi, "the Emperor of Manchukuo," returned to Changchun April 27, thus completing his 25-day state visit to Japan.

Socony-Mukden Branch at Mukden May Close, Say Reports

Impending closing of the Mukden branch of the Standard-Vacuum Oil Company was indicated in a recent message from said city. L. C. Jones, assistant manager of the Mukden office, was in Tokyo last week, reportedly consulting the Tokyo office, on the details of the closing.

The British Foreign Secretary stated in the House of Commons Apr. 29 that in reply to representations made by Great Britain regarding the oil monopoly in Manchuria, the Japanese Government had rejected all of the British arguments, one of which was that the monopoly constituted a violation of the spirit and letter of Article Three of the Nine-Power Treaty. Thereupon the British Government dispatched still another protest.

Grand Duke Cyril Says Russians Better Off in Manchuria Under New Regime

Grand Duke Cyril, acknowledged claimant to the Czarist throne of Russia, who is staying in Brittany, France, recently stated that the White Russians would never declare war on the Soviet Union. "We shall never fight members of our own race," he said emphatically," for blood is thicker than water. We who live in exile look for salvation of Holy Russia from within, and not from without."

The Grand Duke mentioned that he had appointed General Kislitzyn as his personal ambassador in Manchukuo. "The position of the White Russians, although still difficult economically, has improved in Manchukuo, due to the order Japan has re-established there. As for eventual outbreak of hostilities between the Soviets and Japan, which I do not for a moment contemplate, I can assure you the White Russians will not march against Russian troops, for we do not believe in fighting our own people. We have no quarrel with the simple Russian people, whether they be soldiers, peasants or workingmen," the Duke declared.

American Navy Starts Largest Maneuvers in History

The majority of the U. S. warships which are taking part this month in the North Pacific naval maneuvers had already departed from San Diego April 29 and were scheduled to be in the "contested waters" before May 3,—the largest and most extensive maneuvers in the history of the U. S. Navy. The "action" will take place within the triangular area whose points are San Pedro, the Aleutian Islands, and Midway Island. While the details of the famous "Problem No. 16" remain jealously guarded by navy officials, it is understood that special attention will be paid to the problem of defending the islands off the Alaskan Coast and that wide expanse of the Pacific which lies between Midway Island and the great naval base at Pearl Harbor, on the island of Oahu twelve miles from the city of Honolulu. One hundred and fifty-three vessels, including twelve battleships moved out of San Pedro and Pearl Harbor for the purpose of taking part in the maneuvers. The majority of the "invading force" will be organized off Alaska by Vice-Admiral Hepburn, Commander of the Scouting Force, while the Pacific Coast defence squadron will be under the charge of Rear-Admiral Laning, Commander of the United States Battle Fleet. In addition to the airplanes carried on board the containing vessels, 430 other planes will be engaged in the maneuvers, taking part in the various aspects of the problem along the boundaries of the triangular course.

The minesweepers *Gannet* and *Tern* sailed from San Diego Apr. 20 for Dutch Harbor, Alaska, carrying equipment for a mass airplane flight of 11,000 miles that will be conducted in connection with the naval maneuvers.

Japanese Watch American Naval Maneuvers with Apprehension

The recent statement of American naval authorities that the maneuvers on the Pacific this year will not approach within 2,000 miles of the coasts of Japan is contested by the authorities in Tokyo who point out that Attu Island, at the western, extremity of the Aleutians, which is to be utilized as a base by part of the American warships engaged in the maneuvers, is only 700 nautical miles from the northern extremity of Japan's Kurile Islands.

The Tokyo *Kokumin* April 19 commented:—Because the coming naval maneuvers of the American Navy are to be held on areas the extreme end of which is only 600 or 700 nautical miles off the Kuriles of Japan, the Japanese naval authorities attach serious importance to the results of the maneuvers. But doubting the advisability of raising a hue and cry against it, the Japanese naval authorities are maintaining a calm attitude with an effort.

General Andrews Says U.S. Must Be Prepared to Seize Islands

Among the recommendations made to the Military Committee of the House of Representatives by General Andrews, Chief to the Air Force, April 27, was a declaration that in an emergency the United States must be prepared to seize British and French Islands near American shores. The General declared that there were many bases available for an enemy, including Newfoundland, Bermuda, Jamaica, and Trinidad. It was also revealed that at a later hearing Major Kerr, of the Air Force headquarters, said that he had reliable information that "a certain Asiatic power" was employing hundreds of instructors to train Peruvian troops. "It is not beyond the realm of possibility," he is alleged to have declared, "that some fine morning we may read that there has been a successful raid against the Panama Canal as an initial step prior to a declaration of war."

Japanese Navy to Seek Funds Next Year for Construction of More Capital Ships

Rengo states that funds to prepare for the construction of new capital ships will be sought by the Japanese Navy next year. The last huge Japanese warship to leave the ways was the aircraft carrier *Kaga* which was completed in March 1928 at the Yokosuka Navy Yard. The battle-cruiser *Kongo* of 26,333 tons, completed in 1913, is due for replacement, it is pointed out, even if no other new vessels are built.

The *Odori*, a 595-ton torpedo boat was launched at the Maizuru Naval Yard April 25.

House of Representatives Votes Largest Peace-time Navy Budget in History

The House Appropriations Committee April 23 approved the largest peacetime Navy budget in the history of America. The Committee reported favorably a proposed 1936 expenditure of U.S.$465,286,261, which represents an increase over the 1935 budget amounting to U.S.$174,879,098. Despite the increase, however, the Committee sliced in half the large scale building program of the Navy Department under which it was planned to begin construction of 24 additional warships. A telegram from Tokyo April 24 stated that high officials of the Navy Ministry "hailed" the action of the Appropriations Committee. A Navy Ministry spokesman stated that the House Committee may have been influenced by advocacy of naval disarmament in certain sections of American society. It is gratifying to note such a tendency, he remarked.

The Bill as finally passed by the House provides for an expenditure of $457,000,000, which will be increased to $555,000,000 after 1941. The Bill, which now goes to the Senate, was passed after all efforts to delay the construction of new ships till the spring of 1936 had been overwhelmingly defeated.

Germany Will Demand Huge Armament Program

During the forthcoming Anglo-German naval parleys at London this month Germany, according to a report in the British pres, will ask for five battleships, seven dreadnoughts, 16 cruisers, 50 destroyers and 50 submarines. Moreover, it was said that it is considered a certainty that Great Britain will refuse to approve such a program, but that, nevertheless, the Reich is determined to go through with the plan, with or without British approval.

British to Coordinate Army, Navy and Air Forces in Far East

Recent advices from London stated that the complete reorganization of the British navy and air force in the Far East was discussed during a secret conference held at Cambelley College by officers of the army, navy and air force. A plan for the co-operation of these three branches of the British fighting forces is stated to have been established on a scale which has never before existed in the history of Great Britain. British first line aviation is to be strengthened almost immediately. The air force is to be swelled by some 500 speedy planes, of which 400 will be pursuit machines and 100 bombing planes capable of attaining 300 miles per hour and carrying three men instead of two.

U.S. Army to Start Drive for Recruits July 1

The U.S. Army will start a drive July 1 to recruit potential soldiers. The number of recruits to be sought has been fixed by the War Department at 31,700. Men between the ages of eighteen to 35 are eligible.

"Asahi" Says First Requisite of Peace Is Recognition of Manchukuo

The *Osaka Asahi* in a recent editorial stated that recognition of the new State of Manchukuo by the Powers interested in the Far East in the first requisite of peace in this part of the world. This comment was made in connection with the transfer of the C.E.R., the Osaka journal adding that Soviet Russia's present agreement to surrender all her rights in the Chinese Eastern Railway to Manchukuo implies her recognition of the new State.

Lieut.-Gen. Hsu Ting-yao Is Appointed Inspector of Communications

At the request of the Military Affairs Commission, the Executive Yuan, April 23 decided to transfer Lieut.-General Hsu Ting-yao, Commader of the 17th Army, as Inspector of Communications attached to the Inspector-General of Military Training. Lieut.-General Hsu recently returned from a tour abroad when he headed the military section of the Military Communieations Mission.

Complication of Naval Arms Issue Feared by Tokyo Officials

Japanese Navy Officers are of the opinion that increased difficulties will hamper the progress of future naval limitation if Soviet Russia and Germany are included among those invited to attend the disarmament confence scheduled for next autumn. The participation of these two states, Japanese officials fear, will lead to the further entanglement of the already complicated problem of naval limitation. Germany's reported wish to have a navy equivalent to 35 percent of the British naval tonnage, the officials in Tokyo pointed out this week, is but one of the problems which may lead to the wrecking of the whole conference.

⁂

American Fleet Is Heartily Welcomed in Japan

At the same time that the U. S. naval maneuvers in the Pacific are being held, and on a scale which causes apprehension in Japan, the Japanese naval officers have prepared a hearty welcome for the officers and the men of the U.S.S. *Augusta*, flagship of the United States Asiatic Fleet, which will visit Yokohama from May 3. to May 17. A dinner for the officers given by the Mayor of Yokohama and a similar affair by the Minister of the Navy. On May 5, the U.S.S. *Augusta's* band will give a joint concert with the Japanese Navy Band at Hibiya Park. On May 7, the America-Japan Society will give a stag dinner party for Admiral F. B. Upham and the officers and on the following day Ambassador Joseph C. Grew and Mrs. Grew will be hosts at a reception.

⁂

Rear-Admiral Grayson Named Head of World Red Cross

Rear-Admiral Cary Travers Grayson, U. S. N., was elected Chairman of the International League of Red Cross Societies at a meeting of the Board of Governors in Paris April 29. He succeeds the late Judge Barton Payne. Rear-Admiral Grayson is President of the American Red Cross Society.

American Silver Policy and Unrevised Treaty Stand in Way of Full Friendship with China

BY C. Y. W. MENG (孟 心 水)

SINCE the arrival of the American Economic Commission to China, the Chinese papers throughout the whole country have taken the opportunity to discuss freely about the Sino-American relations; and under such editorials as "Welcome the American Economic Mission," the editors discuss, in the most frank manner, the American policy towards China; the Chinese opinion of the Sino-American relations, etc. At the reception meetings, the Chinese officials delivered speeches which also dealt with Sino-American relations. It is probably the best opportunity for those who have the Sino-American interests at heart, and for those who like to study the Sino-American relations, to know more precisely the truth about Sino-American relations; the Chinese views regarding the American policy in China, etc.

Chinese Official Opinion

Wang Ching-wei, President of the Executive Yuan, in his speech welcoming the Mission, said that the Chinese commercial bodies are very glad indeed to exchange views with the American visitors and to plan jointly for the development of our commerce and that the Chinese commercial bodies are ready to give every assistance to the Mission in their tour of investigation.

Dr H. H. Kung, Minister of Finance, in his speech said inter alia that one of the ways to develop international trade is to "remove the obstables in the way." The Finance Minister called the attention of the Mission to the fact that should the Mission, in the course of their investigations, find any obstacles "let us do what we can to remove them," so that it would be "beneficial to the trade of both nations."

Chinese Public Opinion

The *Central Daily News*, an official organ of the Kuomintang in the Capital, and one of leading papers in Nanking, in an editorial on "Welcome the American Economic Commission" said that the dispatch of the Mission to China is "the first act of this kind in Sino-American commercial history," so it should have our wholehearted welcome." The paper expressed its agreement with what Dr. Forbes, head of the Mission, had said that the Mission has no political complexion, and pointed out that it is due to the fact that "both of us are by nature peace-loving people," and that "our relations are more economic than political!"

Referring to President Roosevelt's N.R.A. the paper said that China should be only too glad to do her part in bringing about the prosperity of America. The sudden increase in the volume of American imports to China indicates well the "Chinese friendly feeling towards America." "However," the paper continued, "whether the Americans would be able to hold the market in the Far East, does not depend upon the Chinese alone, but rather on better "Sino-American understanding and mutual assistance".

U. S. Silver Policy Strongly Condemned

The paper then called the attention of the Mission to the fact that in order to develop trade relations, the first step has to stabilize currency values and exchange. "But", said the journal, "since the adoption of the policy of the nationalization of silver by America, China has been the first and the worst sufferer." "We are now too busy in our efforts to save ourselves, how could we have time to plan to increase the purchasing power of our people. Secondly, China is just striving to reconstruct a New China. But this depends upon better understanding from the friendly powers to assist us, and the free exercise of our economic sovereignty, and free uses of reconstructive measures, in order to complete our reconstruction. The many treaties which China concluded before are infringements of our soveringnty. Unless we take steps to improve our relations from the foundation, all talks of friendliness are but lip service".

The *Chung Kuo Jih Pao*, another leading paper in the Capital, and generally known to have been affiliated with some leaders in the Government, in an editorial, pointed out that despite the world economic crisis, America could still export $271,000,000 worth of goods to China, and China could still export $95,000,000 worth of goods to America, this showing the importance of Sino-American trade relations. The paper advised the Mission to draw up more "principles" for "mutual economic recovery of two Great People". "But", continued the paper, "the increase in the value of silver, which has the object of increasing the purchasing power of the Chinese, has had the opposit result. The huge and constant drain of silver has put our currency and exchange in the most chaotic condition, and has resulted in the loss of our exports, and in the decrease of our purchasing power. So we hope that the Mission will take into consideration all these facts, and the American Government will reconsider its silver policy." The paper concluded by expressing that the Mission should act as "medium" for the better understanding between China and America, and that the members should devote themselves to cement the Sino-American friendly relations; to promote economic development of the two countries, and to take up more undertakings for the development of the people's economy, "in the spirit of mutual assistance and co-existence and co-prosperity of two Great People".

In another editorial on "Silver Problem," the same journal characterized the present American silver policy as "an attempt to capture China by means of economic invasion", to force China to join the 'American dollar system'. "But", the paper pointed out, "the American action has the very effect of arousing the jealousy of Great Britain. In order to cope with the American action, Great Britain had to ship huge amounts of silver to China to increase the reserve stock for issuance of banknotes, so as to take away more Chinese silver from China; and, on the other, more silver was shipped from Hongkong to Shanghai to force China to join the 'sterling system'. While America and Great Britain are waging the monetary war with China, Japan takes advantage of the situation to propose and demand Sino-Japanese co-operation, and to force China to join the 'Yen system'. Under such conditions, the Chinese monetary system is bound to face a crisis."

"Soaking the Blood of a Sick Man"

In an editorial, *Tai Hwa Wan Pao*, the only and leading evening newspaper in the Capital, compared China to a "sick man", and the present American silver policy as an insert "soaking the blood of the sick man"; and pointed out that should America go ahead to further increase the value of silver, it would have the very effect of destroying our productive power. "The industrial development in Russia," continued the paper, "has opened a big market for the American heavy industries; and the industrial development in China which is taking place is another opportunity for the development of another market for the American industries. What China needs most is the American surplus products; and what America wants is just what China could supply. So the economic cooperation between two nations during the present economic crisis is the very way out of difficulties for both." So besides having to cause the administration to realize the fallacy of the American silver policy, the paper hopes the Mission will recommend a more "far-sighted" policy for Washington.

In an editorial on "Humble Advice to the American Economic Mission," the *Sin Wen Pao*, one of the leading papers in Shanghai, pointed out that the American silver policy has caused the drain of Chinese silver. "Despite the repeated Chinese protests to Washington not to further increase the value of silver, no change could be secured, due to the fact that such was the American national policy. The senators who adhere to the theory that the increase of value of silver would increase the purchasing power of the Eastern people still stick to their theory. Should such situation be allow to develop, it will ruin Chinese agriculture, industries and commerce; and decrease the purchasing power of the Chinese people. This is tantamount to the destruction of the American market in the Far Eastern by the American themselves!" Continuing, the paper pointed out that American present policy will have the very effect of "driving the Chinese to the Japanese side who could easily destroy the American market in China by their cheap products; and in fact, the Japanese are already doing towards this direction."

"China is now under reconstruction", continued the paper, "and she welcomes the employment of foreign capital on the principle of equality. Such has been the Chinese national policy. Should the Americans invest surplus capital in China, particularly machinery, to hasten the development of Chinese agricultural and industrial production, and the Chinese social recovery, the Sino-American trade would be increased. That is, the international co-operation is one of the ways to cement the economic relations of two countries," concluded the paper.

Revision of Sino-American Commercial Treaty Urged

In an editorial on "Welcome to the American Economic Mission", the *Chao Pao* (Morning Post), another leading paper in Nanking, called attention of the Mission to the fact that the present commercial relations between China and America are still governed and regulated by the out-of-date Treaty of 1903, which has expired long ago, but which remains un-revised. "It is because", continued the paper, "the powers are unwilling to give up their privileges provided by the unequal treaties; and that America has also adopted a 'look-and-see' policy. In order to develop the Sino-American trade relations, the first important step is the conclusion of an 'equal treaty.' In 1931, America was the first to agree to the restoration of tariff autonomy to China. This was due to the far sighted policy of the American Administration to yield to the Chinese legitimade aspirations, and also due to the realization by the American industrial and commercial circles of the importance of Chinese market. So we hope that the Mission, when goes back, will make some strong recommendation, and give their sympathy to the Sino-American treaty revision."

The paper also called the attention of the Mission to the fact that since August, 1934 to March, 1935, no less than four or five million dollars worth of white metal were exported from China. "The American silver policy has given a deadly blow to the Chinese economy. In order to develop the Sino-American trade relations, the revision of the American silver policy is imperative," concluded the paper.

THESE
EXCLUSIVE
FEATURES
ARE SOME OF THE REASONS WHY THE ELECTRIC COOKER IS TO BE FOUND IN THE HOMES OF THE MOST MODERN PEOPLE

CLEANLINESS
NO SOOT AND FUMES TO PENETRATE YOUR ROOMS

SAFETY
NO DANGER
NO OPEN FLAME
OR FUME

CONVENIENCE
IT'S ON AT THE TURN OF THE SWITCH

SHANGHAI POWER COMPANY
Head Office, 95 Nanking Road Tel. 11010

Purchasing Power of the Chinese to Be Increased

In an editorial, the *Shun Pao*, another leading paper in Shanghai, expressed the hope that both China and America should take steps to cement the friendly relations and to help each other "within one's reach". "We hope", continued the paper, "the Mission will study the situation with far sightedness, and investigate the present condition as well as the cause for the decrease of the purchasing power of the Chinese, and to derive some helpful ways to improve the situation. The future development of the Sino-American trade depends upon whether the purchasing power of the Chinese could be increased or not. During the time when a 'New China' is under reconstruction, should the Americans come to our assistance, our purchasing power could be increased, and the Sino-American trade developed". Secondly, the paper goes on to pointed out that the drain of Chinese silver, as a result of the American policy, would not only work quite harmfully to the development of the Sino-American trade relations, but also form a great obstacle to friendly Sino-American relations.

"American Economic Invasion of China"

From the above discussions, it will be seen that the Sino-American relations though quite friendly on the surface are by no means cordial. Formerly, the Chinese public complained very much about the American policy in the Sino-Japanese crisis; and now, the Chinese public has again "unanimously" expressed its great dissatisfaction over the American silver policy in China. As stated above, at one time when the repeated Chinese protests to Washington failed to ulter the American silver policy, *Chung Kuo Jih Pao*, in an editorial on silver problem, characterized the American action as an "attempt to capture China by means of economic invasion!". To Japan, which has always taken military aggression in China, such characterization is nothing serious. But to America, which is traditionally known as "best friend" of China, and which is just taking steps to develop trade relations with China, such characterization should be a matter of serious concern which the Administration should not fail to take note of.

The Chinese have also expressed their great disappointment over the failure on the part of the Americans to yield to the Chinese aspirations, and to meet the Chinese more than "half way," and with more than "lip service," and to agree to the revision of the Commercial Treaty with China as soon as it expired. As pointed out above, the Chinese public opinion is that the conclusion of an "equal treaty" is a condition precedent for the development of better Sino-foreign trade relations.

In Chinese public opinion, to attempt to develop a market in China, without at the same time taking steps to develop the purchasing power of the Chinese people is sure to result in a flat failure. To ask the people merely to buy more surplus goods without caring for their welfare is tantamount to treating such country as a "colony", but not a "best friend". Such policy might exist in the 18th or 19th century, but not in the 20th century; such action might be taken by an "aggressor", but not by a best friend towards a best friend. To the educated Chinese, for years, the balance of trade has always been "unfavorable" to China; and now China cannot allow such a state to continue any more. America should realize that China could not buy more, unless China could, at the same time, produce and sell more; but she could not produce and sell more, unless there is a "peace"; unless "more friendly assistance" —economic as well as technical—from friendly powers would come to her; and unless her internal condition is greatly improved. In order to attain all these, all foreign aggression upon China should be discontinued; the unequal treaties together with the many privileges enjoyed by foreign nationals in China, but denied to the Chinese themselves, must go. In addition, "the fullest and most unembarrassed opportunity for China to develop and maintain for herself an effective and stable government" (See Article 1 of the Nine Power Washington Treaty) must be given to her. But to such policy like the present American silver policy which is doing great harm to the Chinese economic welfare, by disturbing her currency by action outside of her control, together with her failure to agree and yield to the Chinese legitimate aspirations, is sufficient to indicate that (1) the spirit of the Washington Conference no longer prevails today; (2) the powers, including America, do not give "fullest and most unembarrassed opportunity" to China to develop herself; and (3) the powers, including America, have taken some actions to improve themselves in total disregard of the interest and welfare of China, and still look upon China as a "colony".

The Americans are quite right to think that China is a great market for their products. Indeed, a small increase in the purchasing power of the Chinese—say $1.00 per capita—it would mean an increase of $450,000,000 in foreign trade! But under the present condition, such increase is physically impossible. In other words, it is quite true that there is a great possibility of developing a big market in China. But it all depends upon the American policy and action in China. The Mission which is now in China, and which is a "fact-finding body", should be able to find out more realities of the situation, and should lead the Administration to a "right direction" in the formation of American policy and action in China.

Nanking, April 25, 1935.

Mass Marriages Are Simple and Economical

BY PAUL K. WHANG (王 平)

THANKS to the New Life Movement, the cost of marriage, which has been hitherto very prohibitive, can be brought within the reach of all. The young men who have attained marriageable age and have been compelled the maintain their single blessedness because they could not afford to pay heavy expenses for observing the traditional style marriage ceremony, can now heave a deep sigh of relief. Those who aspire to leading a life of matrimony can have their marriages performed at the small cost of twenty dollars. This sum covers all the necessary expenses, except possibly the feasts which the married couples wish to give to their friends after marriage. Why bother about the marriage feasts, which can be economicaly dispensed with without invalidating the marriage itself?

What I have in mind is the mass marriage which we have recently witnessed in Shanghai. To be exact, on April 3, the first mass marriage took place in the great auditorium of Kiangwan Civic Center under the auspices of the leading officials of the Municipality, and no less than fifty-seven couples were united at a single stroke. The ceremony was very simple, but conducted in a dignified manner, to the satisfaction of every one present. Although its economy and simplicity mark a great departure from the old marriage ceremony, which has been featured with an elaborate and pompous show, it has already gained a wide popularity among the local Chinese populace, as testified to by the large number of couples to be thus united and also the vast attendance at the first function of its kind. Its popularity has justified the officials of the Municipality in perpetuating this practice by holding a mass marriage once in every two or three months.

The Simplicity and Economy of the New System

This mass marriage, it must be said, is not at all China's invention. For years, it has been practised in the countries where there has been an intense feeling of nationalism. The German, Italian and French Governments have used it as a means to encourage the increase of their respective populations. This is, of course, not our objective in transplating this practice to our country, as we have already had too large a population to be taken care of. What appeals to us the most is its simplicity and economy. Therefore the sponsors of the New Life Movement have incorporated it as one phase of the Movement. The officials in Hangchow had already held one on March 15, when nine couples were married en masse. The recent experiment at Shanghai, coupled with its wide publicity, will undoubtedly further popularize this practice, and make it strong enough to supplant an old custom, which has no longer its raison d'etre.

That Chinese have spent too much on weddings is a subject which has been long under fire. It often happens that rich people have squandered part of their fortune and poor people have gone into debt, so that their sons and daughters could have big weddings, which, as a matter of fact have become nothing but an empty display of wealth. For some time, some of our progressive people have tried to reform this established custom, but their efforts have not met with much success, inasmuch as the people have generally placed their "face" above everything else. The general opinion prevailing among the public seems to be that one must put up the best "face" possible even to the extent of going into debt.

Recently a few of the radical youths have gone to the other extreme by announcing their weddings in the newspapers without going through any ceremony at all. This newspaper marriage is really too simple to be recommended to the Chinese public. It is true that we want to simplify our marriage ceremony, but we must not forget that the importance of marriage as a human institution should not be jeopardized by its simplicity. To announce one's marriage through the newspapers without any ceremony will tend to make the marriage a mere child-play and the union easily dissolvable. While the traditional style marriage ceremony may be an empty and pompous show, its dignity, however, can not be questioned. We may dispense with all the superfluous show of the marriage, but we must retain its very meaning and essence. Therefore we should not reform our marriage in such a way that its dignity and essence will be totally lost.

Moreover, any radical change will not be looked upon with favor by the general public, who have been accustomed to the old order of things, which has been practised for thousands of years. In the meantime, it must be also remembered that the conservatism of our people is very strong. In order to make any reforms of the established practices successful, they must be introduced gradually. Besides, marriage has been considered as the most important event of a man's life, and so the Chinese in bygone days spared no effort and money in making the ceremony a very impressive one. The enthusiasm and zeal in putting up an impressive ceremony have transformed it into the present wasteful display. Therefore any attempt to cut off all its traditional dignity is not compatible with the psychology of our people.

Mass Marriage Retains Old-Style Dignity

With these in view, I am of the opinion that the idea of mass marriage is a great improvement on the newspaper marriage, and serves as a compromise of these two extremities. While the expense of the marriage has been cut down to a minimum, its dignity and essence have been still kept in accordance with old customs and traditions. To have the high officials serve as witnesses of the ceremony and to have many couples united at one time will be enough to make the occasion a memorial and dignified one. At this time of business depression, the idea of mass marriage will prove all the more fascinating to many of our people, who can have their sons and daughters married at a small cost but in dignified simplicity, but who can still save their "face" by claiming that they are the faithful followers of the New Life Movement.

This mass marriage will be likely adopted in the principal ports and municipalities throughout the country. In order to make it an established practice to be followed by both rich and poor alike, official leading is still needed. It is hoped that henceforth the high officials will have their sons and daughters married in the mass marriages. As the people have generally looked up to their officials for guidance, the example set by the officials will go a much longer way than official proclamations and newspaper publicity. Any reform measures can not be carried out with success, unless the officials themselves have first adopted them and shown a way to the common people.

In speaking of marriages, we can not help thinking of their correlative, that is, funerals. Just as in the case of marriages, our people have spent too much on the funerals of their parents. In this regard, reforms prove even more difficult, because they involve not only the "face", traditions and customs, but also the element of filial piety. It will easily invite bitter criticisms from the public, if the sons of the deceased should have the nerve to forego all the usual ceremonies on the occasion of their fathers' or mothers' funerals. Many of our people are fully aware that it is simply a waste of money to follow the established practice; but they can not help it, because they must pose themselves as dutiful sons in the eyes of the public.

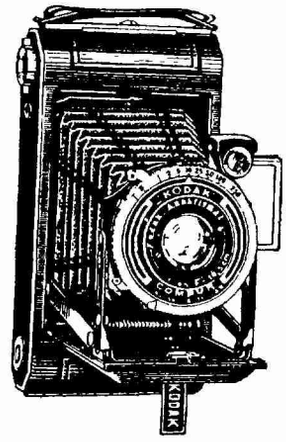
Reform in Funeral Ceremony Is Also Necessary

The funeral ceremony as conducted at present is another display of wealth. It becomes an established practice that a costly native or imported coffin must be procured for the deceased and a long procession with the participation of hundreds of Buddhists and Taoist priests and other paraphernalia must parade through as many busy thoroughfares as permitted by the police. In the name of filial piety, the living people have actually used the deaths of their parents as a convenient occasion to satisfy their vain-glory. The funeral procession has taken on the aspect of a gay and colorful show, and has lost its original significance.

That a funeral ceremony should be conducted in a dignified manner can not be gainsaid. But we can easily put up a dignified funeral without the necessity of using a costly native or imported coffin and hiring the services of Buddhists and Taoist priests. Just as in the case of marriages, funerals can be also conducted in dignified simplicity. Will a funeral procession consisting of a plain hearse followed by mourning members be more impressive and dignified than one composed of a decorated hearse and hundreds of hirelings?

It is too bad that we can not foretell the deaths of our people. Otherwise, we could arrange mass funerals as in the case of mass marriages. But something along the line of economy and simplicity can be also introduced into our funeral ceremonies. To that end, the officials of this Municipality can set a noble example by establishing a big public Funeral Home manned by experienced hands, who will direct and supervise funeral ceremonies in simplified dignity and at a very small cost. Through this public Funeral Home, reforms can be gradually introduced to the people as to the right way to conduct funeral ceremonies, and they, I am sure, will become as popular with the public as the present mass marriages.

Shanghai, April 28, 1935.



KODAK *Vollenda* 620

The World's Greatest Camera Value!

All the improvements and refinements of the larger and more expensive cameras are to be found in this model which is so compact it can be carried in your pocket.

The superior lens, a genuine Kodak Anastigmat 4.5 and Compur Shutter with 10 speeds make possible pictures of which you will be proud. They are 3¼ × 2¼ inches. Just the size for your album.

No other Camera offering all the superiorities and refinements of the Kodak Vollenda 620 is sold at such a low price **$63.00.**

For better pictures always use Kodak film.

EASTMAN KODAK COMPANY

185 Yuen Ming Yuen Road Shanghai

Japanese Claim "Fraud" in Sakhalien Boundary

Japan was "defrauded" of a strip of land 3 miles wide along the Russo-Japanese border in Saghalien because the frontier there was fixed by astronomical calculations in 1906. This is the claim advanced by Nario Hattori, expert attached to the government of the Japanese-owned southern half of Saghalien, in a report made to Takeshi Iwamura, governor, who forwarded the document to Tokyo April 26. The boundary was fixed in 1906 following the cession of the southern half of the island to Japan by Tsarist Russia as the result of the Russo-Japanese War. Mr. Hattori asserts that if the distance to the line of 50 degrees North Latitude, stipulated as the frontier in the pact, is calculated from Tokyo as a starting point, the forest clearing that now indicates the border should be three miles north of its present position.

This error in calculation, the expert claims, has caused Japan a serious loss, because of the "large natural wealth the strip of territory contains." The significance of this claim will be better appreciated if it is remembered that the Japanese are exploiting oil wells in North Saghalien on lease from the Soviets. Extended reference to the situation was made in an editorial in *The Review* April 6, entitled, "Island of Bad Repute—Forthcoming Russo-Japanese Dispute Over Saghalien Oil."

Japan Desires Abolition of Far Eastern Fortifications

Tamekichi Ohta, Japanese Ambassador to Moscow, now returning to the Soviet Capital from Japan for resumption of his duties there, called on General Minami, Commander-in-Chief of the Kwantung Army and Japanese Ambassador to Hsinking, at Kwantung Army Headquarters April 18 and exchanged views with the General regarding future diplomatic issues between Japan, Manchukuo and Soviet Russia. Japan's desire to secure the abolition of Far Eastern fortifications (by the Soviets) was among the matters discussed.

Soviet Russia Plans to Build Chita-Urga Railway

For reasons of military strategy, the Soviet Government of Russia is stated to have decided to build a new railway connecting Chita with Urga. Construction work is scheduled to be started this month, to be completed within a year.

First Anniversary of Jewish Autonomous Province to Be Held This Month

The Jewish Authonomous Province will celebrate its first anniversary early this month A large furniture factory at Birobidjan has started working and the construction of the House of Soviets, a normal technicum and a number of other buildings are in progress.

New Soviet Tea Factory to Start Operations This Month

The tea factory, started in Nasikirali about a year ago, was expected to start operations this week. The factory is situated in a ring of tea plantations and will get raw materials from local state and collective farms growing tea. In the course of a season the factory expects to handle two million kilograms of green tea leaves.

American Citizen Awarded Red Banner of Labor by Soviets

The Soviet Government has awarded a number of workers of the gold industry with various distinguishing marks of merit for over-fulfilling the production plan for 1934. Among these, the American mining engineer, John Littlepage has been awarded the Red Banner of Labor. Mr. Littlepage formerly worked in Alaska where he had charge of mining work carried out there. In Russia he first worked as Chief Engineer at the "Kochkarzoloto" (Kotchkar Gold Trust) and then went to Western Siberia where he did much to improve the work of the Sarala, Znamenity and Artemovsk mines Lately he has been employed as chief inspector of the mining department of the Chief Gold Trust.

Japan Will Advance Yen 64,000,000 to Manchukuo for C.E.R.

Recent advices from Tokyo state that Japan will make an advance to Manchukuo of Yen 64,000,000 this year in connection with the new State's purchase of the Chinese Eastern Railway. The amount, it is stated, comprises: Yen 29,150,000, cash payment; Yen 15,500,000, payment in kind; Yen 19,570,000, retirement allowance for Soviet employees of the C.E.R. It is also stated that Japan, in order to enable Manchukuo to settle her accounts regarding the cession of the railway, will advance to the new State: Yen 46,000,000 in 1936; Yen 41,000,000 in 1937; Yen 21,000,000 in 1938.

Japanese Experience Their First Wreck Since Taking Over C E R.

The first accident on the Chinese Eastern Railway since its transfer to Manchukuo occured Apr. 17 when the 6th International Express on the Harbin-Suifenho line, leaving Hengtaohotse Station at 6 o'clock collided with the rear car of a train running before it near Shansi station about a half hour later. The cause of the accident was stated to be the poor visibility due to a blinding snow-storm.

S.M.R. to Issue Yen 30,000,000 Debentures This Month

Debentures totalling Yen 30,000,000 will be issued by the South Manchuria Railway Company early in May, Count Hirotaro Hayashi, president of the company, stated April 23 as he left for his post in Dairen.

Twenty-Four Chinese Selected by Boxer Trustees to Pursue Studies in England

Twenty-four, out of 468 candidates, have been selected by the Board of Trustees for the British Boxer Indemnity Refund, for post-graduate scholarships in Great Britain, as a result of the competitive examination held early this month both in Nanking and Peiping. The following are the successful students, with their *alma mater* and course to be studied, indicated:—Chien Chung-shu (Tsinghua, English Literature); Chang Wen-tsai (Nanking University, Horticulture); Chen Pao-chun (Nanking University, Textile) Chang Chen-hung (Kwan Hua, Textile); Sun Yuan-Fu (Chekiang University, Textile); Wang Tsu-hsun (Yenching, Textile); Sze Cheng-hsin (Medicine, Hongkong University); Chang Yi (Shanghai University); Wu Chung-hsien (Tsinghua, Animal Husbandry); Hsu Chao-ping (Nanking Universsty, Animal Husbandry); Chu Pao-hsin (Soochow Law school, Law); Hsieh Ming-shan (Central University, Industrial Chemistry); Peng Shu-ling (Yenching, Industrial Chemistry) Chu Yen-feng (Tsinghua, Western History); Wang Teh-yung (Chiaotung University, Aeronautics); Chang Chang (Chiaotung University, Aeronautics); Yang Tseng-wei (Peking University, Geography); Cheng Yu-chi (Tsinghua University, Geography); Li Hua-chung (Chungshan University, Mathematics); Ko Chao (Tsinghua University, Mathmatics); Yu Yui huang (Central University, Physics): Chang Wen-yu (Yenching, Physics); Yang Jen-chieh (Chiaotung University, Naval Engineering); Chang Wen-chih (Peiyang University, Naval Engineering).

Education Ministry to Send Investigators to Szechuen

Acting upon a recent request of the Szechuen Provincial Government, the Ministry of Education will shortly despatch Messrs. Kuo Yu-sho and Ku Chao-lu to Chengtu to conduct investigations on the eductional condiations of the province.

McTyeire School Alumni Honors Veteran Teacher

In honor of the sixtieth birthday anniversary of Miss Julia M. Wasson, a teacher at the McTyeire School, the alumni gave a dinner at the Shanghai Y.M.C.A. April 25. Miss Wasson, who returned last autumn to her duties after a holiday spent in the United States, has taught at McTyeire for twenty years.

Peiping Mayor Orders Discontinuance of Co-Education in Middle Schools

Colonel Yuan Liang, mayor of Peiping, last week ordered the cessation of all co-education in middle schools in Peiping and instructed the Social Welfare Office of the Municipality to see that landlords do not let rooms in the same courtyard to men and women. These instructions, he says, are issued in accordance with the New Life Movement sponsored by General Chiang Kai-shek. The Mayor added that it is contrary to good morals for men and women to live in the same courtyard even if they occupy different rooms. Concerning the order pertaining to middle schools, one of the Chinese newspapers in Peiping quoted a Chinese women educator as saying: "Mr. Yuan has apparently mistaken co-education for co-habitation."

Virginia School at Huchow Celebrates Fortieth Anniversary

Virginia School at Huchow, Chekiang province, one of China's outstanding schools for girls, celebrated the 40th anniversary of its founding beginning of this month. Among the guests were three former principals of the school: Miss Clara Steger, retired and living in Soochow; Miss Sue Stanford of McTyeire School; and Miss Zau Siu-ling, who is on the teaching staff of Ginling College.

⁂

China Foundation Trustees Make Recommendation for Allocation of Funds

The eleventh annual meeting of the Board of Trustees of the China Foundation for the Promotion of Education and Culture (administering the American share of Boxer Indemnity Refund) was held in Shanghai April 20. Dr. Tsai Yuan-pei, Chairman of the Board, presided. Dr. Tsai was re-elected chairman of the Board. Drs. Y. T. Tsur and Paul Monroe were re-elected vice-chairman, Dr. Hu Shih, honorary secretary; Messrs. C. R. Bennett and Sohtsu G. King, honorary joint treasurers; and Messrs. R. S. Greene, Y. T. Tsur and Sohtsu G. King, members of the executive committee. Out of the estimated income of U.S. $530,000 (about $1,245,500 Chinese currency) a little more than $300,000 was available for grants, which was recommended to be distributed as follows; Geological Survey, Ministry of Industries M.$96.000; Research Inst. of Biology, Science Society $48,000; Research Inst. of History and Philology $25,000; Shanghai Medical College $30,000; Nankai University (to be terminated in two years with 10,000 for next year) $20,000; Hua Chung University (for this year only) $5,000; Research Institute of Botany, Chung Shan University $10,000; Boone Library School, $15,000, Golden Sea Chemical Ind. Research Inst. $8,000; Research Inst. of Chinese Architecture $15,000; China Inst. in America U.S.$6,000; @ 2.35 $14,000; Research Inst. of Botany (Kwangsi Univ.) $5,000; Cheeloo Medical College $14,000; Yenching University $15,000. Establishment of the China Foundation was sanctioned by the president of the Republic of China in a mandate dated Sept. 17 1924, as result of remission of the American share of the Boxer Indemnity.

More than 50 prizes and fellowships for scientific research, to be drawn from the American share of the Boxer Indemnity Refund, will be awarded in the 24th fiscal year (July 1935-June 1936) by the China Foundation for the Promotion of Education and culture.

⁂

Sun Yat-Sen Institute Holds Third Meeting, Elects Directors

With President Sun Fo in the chair, the Board of Directors of the Sun Yat-sen Institute for the Advancement of Culture and Education held its third meeting at Nanking April 23. Among the members present were Dr Tsai Yuan-pei, Messrs. Chang Ching-kiang, Chang Chi, Ma Chao-chun, Yeh Chu-tsang, Chu Cheng, Li Shih-tseng and Usang Ly. Plans of the Institute for the 24th fiscal year (July 1935-June 30, 1936) were adopted. The budget was also tentatively approved. Dr. H. H. Kung and Messrs. Wang Yun-wu, Wu Chih-hui, Usang Ly, Hu Han-min and Ma Chao-chun were re-elected members of the Board of Directors for a second term; Messrs. Chu Min-i, Chen Li-fu and Wang Shih-chieh were elected memberes for a first term. They will serve for a period of six years.

Students in the middle school department of the Sun Yat-sen University April 24 refused to take the examinations given by the provincial department of education on the ground that the university is not under its jurisdiction but only under the Ministry of Education in Nanking.

Figures Compiled to Show That Jews Do Not Lead in International Financing

The New York *American-Hebrew* recently published the following list of international loans effected by American financial houses to refute the oft-repeated charge that Jewish banking houses did most of this kind of financing.

Institution Heading Syndicate	Amount of Foreign Loans Outstanding	% of Total
J. P. Morgan & Co.	$1,514,000,000	19.87
National City Co.	892,000,000	11.71
Dillon, Read & Co.	872,100,000	11.44
Chase, Harris, Forbes	643,900,000	8.45
Guaranty Co	509,100,000	6.68
Bancamerica-Blair	471,500,000	6.18
Lee, Higginson & Co.	322,100,000	4.23
Kuhn, Loeb & Co.	220,700,000	2.88
Speyer & Co.	207,200,000	2.71
Hallgarten & Co.	194,400,000	2.55
Brown Bros., Harriman	190,100,000	2.49
J. & W. Seligman & Co.	118,900,000	1.56
White, Weld & Co.	88,300,000	1.16
Bankers Trust Co.	78,500,000	1.03
First of Boston Corp.	55,400,000	.72
Halsey Stuart & Co.	30,000,000	.39
Miscellaneous	1,212,900,000	15.95

Sino-Polish Cultural Association Holds Second Annual Meeting

The second annual meeting of the Sino-Polish Cultural Association was held in Nanking, April 28. Dr Tsai Yuan-pei, honorary Chairman, presided. A total of over 50 members was present, including Dr. Wang Shih-chieh, Minister of Education, M. Weydenthal, the Polish Minister, M. Okencki, Polish road expert attached to the National Economic Council, Dr. Chu Chia-hua, Minister of Communications, and Chen Li-fu, members of the C. E. C.

Interest in Polish affairs by China is stimulated by the fact that Tokyo officialdom has been discussing the point as to whether Poland's postal agreement with Manchukuo constitutes de facto recognition of the Japanese sponsored Empire. The *Nichi Nichi* commented:—"Poland's action chips a corner off the League of Nations' policy of non-recognition by completely ignoring it."

A floating Polish exhibit participated by about 100 Polish manufacturers, visited Shanghai last week the s.s. *Dardanus* being chartered to carry the exhibits. The ship is calling on all the principal ports in the Far East with a view to extending Polish trade.

PEIPING-LIAONING RAILWAY

ABRIDGED TIME TABLE

1st July, 1934 and until further notice.

Down Trains										Up Trains							
41 Slow D 1 2 3	301 Ex. S D 1 2 3	1 Ex. S D 1 2 3	305 Ex. S D 1 2 3	23 Fast D 1 2 3	5 Ex. D 1 2 3	21 Ex. S D 1 2 3	3* Ex. S D 1 2 3	MAIN LINE STATIONS		302 Ex. S D 1 2 3	22* Fast D 1 2 3	42 Slow D 1 2 3	4 Ex. S D 1 2 3	24 Fast D 1 2 3	2 Ex. S D 1 2 3	306 Ex. S D 1 2 3	6 Ex. D 1 2 3
5.45	15.05	8.45	18.50	13.15	16.30	20.15	10.55	dep. Peiping	arr.	10.24	11.29	17.55	18.42	23.17	9.18	8.19	11.50
6.20	15.36	9.13	19.20	13.46	—	20.48	11.24	,, Fengtai	dep.	9.54	10.55	17.21	18.15	22.48	8.47	7.49	—
7.45	16.40	10.21	20.26	15.01	—	22.08	—	,, Langfang	,,	8.50	9.26	15.43	—	21.34	7.45	6.43	—
9.16	17.50	11.28	21.39	16.30	19.07	23.38	13.32	,, Tientsin Central	,,	7.40	8.03	14.14	16.05	20.11	6.39	5.30	9.15
9.25	17.59	11.36	21.48	16.39	19.15	23.47	13.40	arr. Tientsin East	dep.	7.30	7.50	14.00	15.55	20.00	6.30	5.20	9.05
9.35	18.20	11.50	22.20	16.55	—	24.00	13.50	dep. ,, ,,	arr.	7.05	7.36	13.46	15.40	19.50	6.15	4.50	
10.38		12.47		18.03	Stop	1.10	14.47	,, Tang-ku	dep.		6.31	12.46	14.45	18.51	5.11		
11.46		13.45		19.08		2.18	15.40	,, Lu-tai	,,		5.26	11.41	13.48	17.43	4.08		
12.52		14.42		20.11		3.32	16.39	,, Tang-shan	,,		4.15	10.30	12.50	16.37	2.58		
13.39	FOR SHANGHAI	15.17	FOR PUKOW	20.47		4.20	17.14	,, Ku-yeh	,,	FROM SHANGHAI	3.30	9.44	12.18	16.05	2.16	FROM PUKOW	
14.29		15.49		21.21		5.12	17.46	,, Lanhsien	,,		2.32	8.45	11.39	15.22	1.18		
15.32		16.31		22.11		6.18	18.28	,, Chang-li	,,		1.29	7.40	10.58	14.37	0.19		
16.16		17.04		22.46		7.07	19.01	,, Pei-tai-ho	,,		0.39	6.54	10.27	14.00	23.31		
16.43		17.23		23.08		7.33	19.20	,, Chin-wang-tao	,,		0.01	6.25	10.04	13.35	22.59		
17.05		17.40		23.26		7.55	19.37	arr. Shan-hai-kwan	,,		23.30	6.00	9.45	13.15	22.30		
		18.40						dep. ,,	arr.						21.26		
		16.25						arr. Shenyang (Mukden)	dep.						10.15		

S. D.—Sleeping and Dining Cars. D. Dining Car.

Refund of Fares :— Passengers must get Station Master to endorse ticket in connection with which they intend to claim refund.

No. 3 and 22* Temporary suspended.

Tientsin, 1st July, 1934.

BY ORDER.

Quo Tai-chi Sees Great Resemblance Between Scotch and Chinese

Quo Tai-chi, the Chinese Minister to Britain, in an address before the annual meeting of Sino-Scottish Societies in Edinburgh, April 12, said the moral and mental similarities of the Chinese and the Scottish must make Chinese students, entering into the traditional atmosphere of Scotland, promptly at ease there. Poverty, he said was always redeemed by association with learning and thrift. Content with a modest reward, the individual always stood upright, whatever his condition, fully knowing that "the rank is but the guinea stamp."

The Chinese Minister then referred to the "close physical and spiritual touch" of the clan spirit in China and Scotland, and proceeded :—"I am even assured that our spoken languages and dialects, uncouth to other ears, are equally rocky roads to all foreigners, while English musical purists aver that nobody if not the Chinese can appreciate the bagpipes as the Scots do."

Referring to China, Mr. Quo said that he was reasonably optimistic. He saw a well-conceived domestic policy progressively carried out and each year showing a regular advance. This was more and more recognized by the governments of the world and the press.

"China," he concluded, "will never go back to sheer isolation based on suspicion and alienation from the other hemisphere."

French Foreign Legion Goes Into Action Against Recalcitrant Tribe

The *Chicago Tribune* of Apr. 8 printed a despatch from Saigon to the effect that the French Foreign Legion was preparing for a new campaign against the savage Moi tribes, so primitive that they still fight with poison lances and kill their own wounded rather that leave them in the hands of white men. Outbreaks against French outposts have led to strong military measures by colonial authorities. Ten soldiers were killed and many wounded in recent raids by the aborigines. The Moi country stretches from the north frontier of Cochin-China to the limits of upper Sanai Province and Darlac Province in Annam. The jungles are inhabited by elephants, wild bulls, and tigers. Sorcerers, practicing an ancient ritual of "black magic," are the real rulers of the tribes. In the family life, women, and not the warriors, are the heads, and children take their mother's name.

Shanghai Municipal Council Expresses Regrets for Accidental Shooting of Britisher

British Coroner Haines, at the close of the inquest on the late Nathaniel MacDonald April 25, rendered a verdict that death was due to misadventure caused by a ricochet bullet fired by Chinese Police Constable 224. The Coroner added that he would like to say how much he regretted that a British subject should have lost his life through this unavoidable conflict with armed robbers, but he was very careful to find out and was satisfied that the shooting was done in a proper manner with due care for the safety of pedestrians. The deceased was shot on April 9 during a gun fight between an armed robber, who was killed, and members of the Shanghai Foreign Settlement police force. The Chinese police constable, who fired the shot that probably ricocheted off the back wall of Hongkew Police Station to kill Mr. MacDonald, was himself wounded in the left leg, and gave his evidence while seated.

The *Municipal Gazette* of April 26 contained a paragraph stating that the Council deeply regrets that a shooting affray on the morning of April 9 between the Police and armed robbers, who were resisting arrest, resulted in the accidental death of a foreign civilian, N. G. MacDonald, who happened to be passing by in the neighborhood of the affray and who unfortunately was struck by a ricochet bullet. The Council's sympathy and respects were expressed by the attendance of its representatives at the funeral, the depositing of a wreath in its name, and by the lowering of the Municipal flag on the Administration Building. The Police paid tribute to the deceased by the sending of a detachment and in the attendance of the Commissioner at the funeral.

Dutch Tanker Confiscated on Spy Charge

Inflicting a penalty more severe than that asked by the prosecution, the Takao branch of the Tainan (Formosa) High Court April 27 ordered the confiscation of the Netherlands oil tanker *Juno* and the imposition of a Yen 2,000 fine on her master upon conviction of his having violated Article 3 of the Japanese Marine Act. The *Juno*, a 2,345-ton vessel, is under British charter, and was placed under a Japanese naval escort when she entered the Mako Naval Base in the Pescadores on April 9. The master, answering the questioning of officers from the destroyer *Shimakaze*, said he had sought shelter in the harbor because of a typhoon. The prosecution, during the trial, produced evidence showing that wind velocity at the time the ship entered port was six meters per second and held that the excuse of the ship's captain was invalid.

Ministry of Industry to Establish Two New Fishing Harbors

The Ministry of Industry is making plans for the construction of two new fishing harbors to promote the fishing industry. One harbor will be at Chengshan, on Tsungming Island, Kiangsu. The other will be at Shihtaoshan, in Tenghsien, on the Shantung coast.

Ten Tons of Cotton Seeds Arrive from United States

A total shipment of 20,000 lbs of American cotton seeds which was purchased from the United States by the Cotton Control Committee of the National Economic Council arrived here during last week. The seeds will be distributed to farmers in various parts of the country to help improve cotton production.

Communications Ministry to Take Over Changsha Telephone Administration

In order to unify the control of the telephone system throughout the country, the Ministry of Communications will take over the administration of the Changsha Telephone Company. General Ho Chien, Chairman of the Hunan Provincial Government, has telegraphed to the Ministry, agreeing to transfer the administration to the Ministry.

Kansu Reconstruction Head Confers with T. V. Soong

Hsu Hsien-shih, Reconstruction Commissioner of Kansu, who had been commissioned by the Kansu Provincial Government to investigate reconstruction work in Kiangsi and Chekiang, arrived in Shanghai from Hangchow last week to confer with T. V. Soong on various questions relating to the construction of the proposed highway linking Szechuen and Kansu, and water conservancy projects in that province.

China's Opened Highways Total 29,215 Kilometers

According to reports by the National Economic Council, the total mileage of connected highways in the eight provinces of Hupeh, Hunan, Anhwei, Kiangsi, Hunan, Kiangsu, Chekiang, and Fukien and the Northwest is 29,215 kilometers. Of this total, a distance of 18,417 kilometers has already been opened to traffic while 4,337 kilometers are under construction.

Tangshan-Fengjen Motor Road to Be Constructed

In order to facilitate the communication in the Luantung District, a motor road between Tangshan and Fengjen covering a distance of 50 li (about 18 miles) is now being built by units of the 2nd Peace Preservation Corps under General Chao Lai. The road is scheduled to be completed within two months.

Omnibus Service Started Between Tangshan and Fengjun

Omnibus service on the new highway between Tangshan, mining center, and Fengjun, in northeastern Hopei, was opened to traffic April 28.

Nanking-Wuhu Railway Line Formally Opened to Traffic

With the exception of the Nanking-Hsiaohsingchen section, covering a distance of about four kilometers, the 90-kilometre Nanking-Wuhu line operated by the Kiangnan Railway Company was formally opened to traffic April 21.

Kweichow Farm Tax to Be Suspended for One Year

On the recommendation of Gen. Chiang Kai-shek, exemption of the farm tax in Kweichow province for a period of one year has been ordered.

Money Sought in Shanghai to Extend Taoching Railway

Fan Yu-sui, managing-director of the Taoching Railway, was in Shanghai last week to negotiate with local banks for a loan of approximately $1,300,000 to be used for the construction of an extension of the railway from Sinyanghsien to Taming in Shansi Province.

Native Goods Emporium Soon to Be Established in Yunnan Capital

In order to promote native industry, active preparations are now being made by a group of civic and business leaders in Kunming for the establishment of a Native Products Emporium which is expected to be open to business in a few months. The initial capital of the Emporium has been fixed at $30,000 which will be mainly devoted to the expenses of equipment and furnishing, while the business capital will be raised jointly by the Bank of China at Shanghai and the Futien Bank (Provincial Bank of Yunnan.)

Canton Establishes Aquatic Products College

In order to develop the fishing industry along the coast of the province, the Kwangtung Provincial Government has decided to establish an aquatic products school at Swatow. Plans for the establishment of the school are now being jointly made by the Departments of Education and Reconstruction.

China Merchants S.N. Co. Will Not Operate Ships on Singapore Run for the Present

The China Merchants Steam Navigation Company has announced that the recent petition of the Chinese Chamber of Commerce in Singapore for extension of its shipping service to the South Sea Islands cannot be complied with at present. It is pointed out that the Company has only 26 ships, which are hardly sufficient for the Yangtsze and coastal runs. The four new steamers lately purchased from England are not suitable for ocean service. Although the Company has the question of an extended sea service in mind, the project is not yet feasible.

Construction of Large Telegraph Building in Shanghai Is Planned

Yen Jen-kwang, head of the Telegraph Department of the Ministry of Communications, was in Shanghai this week negotiating with the Postal Savings and Remittance Administration for a loan for the construction of a large telegraph administration building here. The cost for the construction of the projected building is estimated at $700,000.

Needy Farmers in Kiangsi to Be Assisted

Following the inauguration of the Provincial Rural Credit Loan Agency capitalized at $1,200,000, the Kiangsi Provincial Government is negotiating with banking circles in Kiangsi and Shanghai for the raising of a loan of $2000,000 towards the organization of a provincial rural credit loan treasury.

Equipment for Central Machine Tool Works Arrives from Europe

The first consignment of machinery and equipment for the projected Central Machine Tool Works in China has arrived from Europe. Construction work on the factory is to be completed in June.

Tree Planting Ceremony Held at Kweihua

The Suiyuan Afforestation Movement was launched at Kweihua April 21 with a tree-planting ceremony attended by more than 10,000 people representing various walks of life.

⁂

Nanking Farmers Protest Against Appropriation of Land for Kiangnan Railway

Chang Ching-kiang, Chairman of the National Reconstruction Commission, proceeded to Nanking from Shanghai Apr. 24 to investigate the dispute between the farmers and the Kiangnan Railway Company arising from the latter's expropriation of farm land for the erection of a main station for the Nanking-Wuhu section of the Nanking-Shaoan (Kiangnan) Railway. Enraged by the action of the Kiangnan Railway Company, which is expropriating their land for the erection of a main station for the Nanking-Wuhu section of the Nanking-Shaoan (Kiangnan) Railway, a mob of over 100 people outside the Chunghua Gate at Nanking attacked the County Guild for the 4th Area and assaulted Jen Kuo-chang, staff member of the Guild. Taking Mr. Jen with them, they then marched to the Municipal Government building, where three delegates submitted a petition against the action of the Railway Company. It is understood that while steps will be taken to reach an amicable settlement of the dispute, construction work on the station will be carried on in accordance with the instructions of the Central Authorities in order to facilitate the link-up of the line with the Nanking-Shanghai Railway.

A delegation of over 400 farmers called at the Ministry of Interior and the Nanking Municipal Government April 19 to petition against the expropriation of their land outside the Chunghua Gate by the Kiangnan Railway Company. Among the demonstrators were a number of women and children, all holding red flags inscribed with the characters, "Oppose the forcible expropriation of farms." They were received by Messrs. Chan Shan, of the Ministry of Interior, and Wang Sou-fang, Chief Secretary of the Nanking Municipal Government, who promised to submit their petition to the authorities for consideration.

⁂

Heavy Drop in Chinese Exports During January, February and March

Figures relating to China's trade for the first three months of this year have been published by the Maritime Customs in the form of the Monthly Returns of Foreign Trade. Net imports for March amounted to $97,294,558, bringing the total for the first three months of this year to $254,000,386, as against $287,-645,812 for the corresponding period of last year—a reduction of over $33,000,000. Net exports for March amounted to the very low figure of $39,046.563, bringing the total for the first quarter of this year to $135,818,505, against last year's figure of $128,-926,937 for the same period. The adverse trade balance for March was $58,247,995, bringing the adverse balance for this year up to $118,181,881. This is considerably lower than the adverse balance for the first three months of last year, which amounted to $158,718,875. As regards treasure, gold bullion to the value of 4,800,010 Customs Gold Units was exported during March, while silver coins to the value of $986,961 were imported. During the first three months of this year there has been a net importation of silver to the value of $4,246,268, and a net export of gold to the value of 13,892,444 Customs Gold Units.

New Douglas Plane Makes Record Nanking-Shanghai Trip

The China National Aviation Corporation's new Douglas 14-passenger air-liner made an average of 180 miles an hour in the trip which carried members of the American Economic Mission from Nanking to Shanghai April 25. The trip was made in 54 minutes against a head wind and constituted a record.

Aeronautic Exhibition to Open at Nanking May 20

In order to promote public interest in aviation, an Aeronautics Exhibition will be opened in Nanking on May 20 under the auspices of the National Commission for the Promotion of Aviation. The Exhibition will be held at the Nanking Mass Education Institute, the Public Recreation Ground and the First Park and will last for three weeks. The Exhibition will be held on a grand scale and the grounds will be capable of accommodating 40,000 visitors daily. A Preparatory Office has been organized to make arrangements.

Ford Plane Makes Successful Test Flight to Yunnanfu

A test flight on the Chungking-Kweiyang-Yunnanfu Airway was successfully completed by a Ford plane which landed safely at the Yunnanfu Aerodrome April 23 inst. from Kweiyang, provincial capital of Kweichow. The trip was made in two-and-a half hours, according to a belated message received by the Ministry of Communications. Eight previous attempts had been unsuccesstul owing to inclement weather on the Kweiyang-Yunnanfu section.

The Southwestern Aviation Corporation is planning to institute a round-the-province airplane service for Kwangtung and Kwangsi, in addition to the Canton-Lungchow (Kwangsi) Airway. The Corporation is increasing its capital to provide for this expansion scheme.

License Issued to Far East Flying Training School Student

The Far East Flying Training School in Hongkong is doing good work in the training of Chinese pilots. Wat Hew Kin, who joined the school as an engineering student in March last year, last month received the first license as a ground engineer in "O" category ever issued by the Colony to a Chinese.

Col. Lindbergh May Pilot "Oriental Clipper" on Trans-Pacific Run

Colonel Charles A. Lindbergh is prominently spoken of as the pilot for the "Orient Clipper" on the flight late this summer to inaugurate the new California-China air mail line. Administration leaders in Washington indicated that Congress would vote a sizable sum to aid in development of trans-Pacific air mail as soon as the Postoffice Department completes a survey which now is under way. It will be recalled that a month ago the United States Congress passed a subvention of $2,000,000 to the Pan-American airways, which the House of Representatives recently turned down for mere reasons of procedure.

The refuelling bases for the planned line organized along the trans-Pacific route of the machines will be ready in the middle of July. Thanks to a planned connection between the Pan-American Airways service to China and the Soviet air routes, it will become possible to effect a journey from New York on London by air in the western direction.

One Day Air Service, Tokyo-Hsinking, Opened May 1

One-day air passenger and mail service between Tokyo with Hsinking was opened May 1. Under a temporary schedule worked out by the concern in conjunction with the Japan Air Transport Co., only mails are being carried between the capitals of Japan and Manchukuo in the initial period. Passengers are being carried only between Osaka and Hsinking.

Japan-Dairen Air Mail Plane Meets Disaster Near Oshika Island

Discovery of a partially submerged passenger airplane on a sand-bar about 6 miles off the Kwantung Peninsula's eastern shore near Oshika Island April 27 led to the abandonment of search for the pilot and mechanic of a missing Dairen-Tokyo transport machine. Two ordinary postal bags were later recovered at a point about four kilometers northwest of Takushan, while a red registered mail pouch was washed ashore on a beam near the town. No passengers were carried by the craft on this flight. This is the first mishap on the Dairen-Tokyo route since it was opened four years ago.

Nine Japanese Military Planes End 5,383 Klm. Flight

Without a single mishap, nine scouting planes of the Third Air Force Regiment returned to their base at Yokaicha April 22 completing a 5,383-kilometer flight that took them to Tsitsihar, Harbin, Hsingking, Jehol and Mukden. The flight, which was under the command of Col. Chuichi Inoshita, Commandant of the Regiment, began on April 17. The purpose of the flight was to test the airworthiness of Japanese-built military craft.

For Fast and Efficient Radio Telegraph Service to all Parts of the World Send

RADIOGRAMS

"Via RCA"

RADIO IS THE QUICKEST AND MOST RELIABLE MEDIUM FOR ALL TELEGRAPHIC COMMUNICATIONS. IT HAS BROUGHT ABOUT RATE REDUCTIONS AND INAUGURATED NEW CLASSES OF SERVICE TO MANY COUNTRIES ...

In CHINA file your messages
"via CGRA—RCA"

(Chinese Government Radio Administration
R.C.A. Communications, Inc.)

R.C.A. Communications, Inc.
(A Radio Corporation of America Subsidiary)
Office of Representative—Sassoon House—Shanghai.

GARGOYLE

CHANGE TO SUMMER GRADE

Mobiloil

A STANDARD-VACUUM PRODUCT

Christian Council Discusses Spirituality and Money

The tenth meeting of the National Christian Council of China was opened in the New Asia Hotel Shanghai, where the majority of the delegates are staying, on the evening of April 25. About 85 members were present, the majority of whom were Chinese, an unusually small proportion being women.

Visitors from abroad were Dr. John R. Mott, representing the International Missionary Council, Dr. Wynne C. Fairfield representing the American Board, Dr. Frank T. Cartwright representing the Methodist Episcopal Board, and Dr. Luther A. Weigle who is in China assisting in a study of ministerial training.

The consituent members of organizations of the N.C.C. are the China Christian Association; the Medical Mission Council of the China Medical Association; the National Committee of the Y.M.C.A. and Y.W.C.A. The China Home Mission Society, the American Literature and Bible Society, and the Chinese Mission to Lepers.

The delegates were divided into four groups for purposes of study: (1) Co-operation, with Dr. Y. Y. Tsu as chairman; (2) Training, with Dr. C. S. Miao as chairman; (3) Rural Work, with Rowland Cross as chairman; and (4) Work Among Youth, with W. Y. Chen as chairman.

In opening the meeting, Dr. R. Y. Lo, the chairman, said:—

"Never before in the history of the Chinese Republic has trade and industry suffered such an acute depression as during the past two years. The continued deterioration in the rural districts on account of bandit-suppression, flood and drought, coupled with the uncertainty regarding the silver value has reduced the country's purchasing power to a large extent.

"While economic conditions of the country have been decidedly unsatisfactory, the political outlook has been definitely improved. Never before in the history of the Republic has China had a stronger Central Government than the present regime in Nanking. The star of the feudalistic militarists is unquestionably on the decline, if not altogether off the horizon. The recent prompt suppression of the Fukien Revolt and the success of the anti-Communist drive in Kiangsi are concrete instances demonstrating the growing strength and authority of the Central Government. And with the rapid construction of railways and highways, the country will be knit more closely together than ever before. It has been estimated that a grand total of 82,000 kilometers of highways have been built during the last few years. Thousand of miles of roads have been either surveyed or are already in process of construction. Moreover, the partly completed Canton-Hankow line is expected to be running by the end of next year, and the projected Yuping line traversing Chekiang, Kiangsi and Hunan provinces is ordered to commence operation at about the same time. All this road building, linking up the villages and towns which were once separated and bringing the outlying provinces under more effective control, paves the way towards greater internal political stability.

Dr. Lo Says Recovery of Lost Territories Not So Important as Internal Unification

In respect to foreign relations, while it would be willfully disregarding facts to pretend that the menace of external aggression has been removed, there are, however, certain factors which inspire hope and confidence. In the first place, China's relations with America and Europe have been increasingly cordial. Secondly, her trust in the League of Nations for moral support has been strictly correct. Thirdly, while it would be a serious mistake to interpret that the Chinese have begun psychologically to accept as "fait accompli" the loss of Manchuria and its adjoining territories, it is obviously true that there is a growing opinion among the Chinese intelligentia that an immediate recovery of the lost territory is less urgent that China's internal unification and consolidation Lastly, but not the least important, is the growing awakening to the fact that China and Japan must co-exist or they shall perish. Hence there appears at least a desire on the part of both nations to arrive at an early understanding for purpose of peace and friendship. It is sincerely hoped that no effort should be spared to improve the relations which have been unfortunately left too long to take their own course. It must be admitted, however, if the Chinese people are to be persuaded to change their present attitude toward the Japanese, the latter must be urged to demand that their militarists desist from grabbing Chinese territory and justifying it with the groundless contention that such territory forms an integral part of Japan's lifeline. Only in this way can the deadlocked relations between the two nations be broken and a new way paved for mutual cooperation and helpfulness.

Accomplishment More Important Than Pronouncements

After discussing the "New Life" movement, Dr. Lo said:—"Unless the spiritual vitality of our church members is increased, our Church in China certainly cannot surmount the difficulties of the hour. It is important that we should have organizations and adequate financial support to maintain them. We must face our task as humanly as possible and come to close grips with actual conditions. We cannot solve our practical problems by high-sounding prouncements, we must have organizations and institutions as tools of accomplishment. Let this conference discuss as thoroughly as possible the problem of organization, leadership, self-support, etc. But the chief concern of our Church is not with such matters, as these, important as they may be. Indeed it would be strangely paradoxical to bemoan the fact that the Church is impoverished and therefore powerless, for money never was and never can be a pillar on which the Church of Christ can rest secure."

The second meeting was held on April 26 when the Council met in Union Church Hall. The session began with a devotional study which dealt with the new vision needed by the Christian Church. It was pointed out that the Church needs a new vision of itself, a new vision of God as one who changes life, and a new vision of its own goal.

Dr. Mott Says All Money That Can Be Wisely Used Can Be Secured

Dr. John R. Mott delivered an address in which he outlined the important relation of the National Christian Council to co-operative efforts to carry out its own task and assist the Christian forces in doing their part in meeting the present challenging situation in China and in the world. Dr. Mott emphasized the facts that the problem of religious liberty must be again fought out, that the Godless movement is a strong force and that the world's economic and political problems challenge the Christian movement to prepare co-operatively to meet the emergencies arising therein. He also referred to the fact that German missions are in danger of being blotted out and that only co-operative Christian organizations can effectually assist them. Furthermore, Dr. Mott urged, Protestants need to approach governments with a common mind on current issues. So far as the money needed for the support of Christian work is concerned, Dr. Mott stated that all that can be wisely used can be secured when the plans for its use and the program of the Church are such that donors feel they can support them. He felt indeed that such donors are more likely to criticize small programs than large ones. He urged that in order to enlarge its vision and effort the Church must present a united front.

Near the end of the afternoon session, Dr. H. H. Tsui made a report on the Five Year Movement, which chronologically ended in December, 1934. It was shown that as a result of this movement Church membership had increased, the quality of Christian life in China had improved and that there had been growth in self-support. The Rev. J. C. Hawk, in commenting on the Five Year Movement, stated that the Executive Committee of the National Christian Council had recommended to the Christian forces that they continue the activities initiated and developed during the five years of the movement. Dr. Hawk felt, however, that during this five years there had been concentration on developing the spiritual life of Church members. He urged, therefore, that in the immediate future more emphasis should be laid on increasing the church membership which would have, among other effects, a bearing on self-support. He suggested the organization of regional evangelistic services.

Church Must Be Part of Village Life

At subsequent meetings Dr. S. C. Miao, secretary of the National Committee for Christian Religious Education in China, gave some of the results of a study of the securing and training of ministers for the Protestant Church. This study was made by a committee composed of Dr. Miao, Dr. T. C. Bau, and Rev. Stanley Smith. He suggested that eventually the Church will have to be a part of village life and noted that this is complicated by the extremely low economic level on which villagers live. He pointed out, also, that he had found the idea somewhat prevalent that an educated man's salary must correlate with the degree of his education. This made it difficult to secure well-educated ministers for service in the rural communities. Since, however, rural residents are more numerous than any others this problem has to be faced and solved, he said. Dr. D. Tagawa and Dr. William Axling, Executive Secretary of the National Christian Council of Japan, were then introduced as fraternal delegates from the National Christian Council in Japan. J. W. Beaton and F. S. Harmon, both representing the Y. M. C. A. in the United States, were also introduced to the conference. Following them, Dr. Frank T. Cartwright, Secretary of the Methodist Episcopal Board, and Dr. Wynn C. Fairfield, Secretary of the American Board, both ex-missionaries to China, were introduced and made short addresses.

League of Nations to Help Russian Women in China

A report from the League of Nations Committee on Traffic in Women and Children Apr. 29 declared that thousands of women have been driven out of Manchuria by economic necessity and that their situation is daily becoming worse. Out of the 10-000 Russian women in Shanghai, 7200 are between the age of 16 and 45, and of these 22½ per cent are known to be prostitutes. The League proposes to establish vocational training centers, cheap kitchens and special hostels for these unfortunate women and children.

Prolonged Drought Now Threatens North China

A prolonged drought, affecting a very wide area in North China, is causing the greatest anxiety of the authorities after the Yellow River flood menace has just been brought under control. No immediate relief is in sight, and with the advent of the spring season, it is feared that crops in fields north of Tientsin might be seriously affected for the coming autumn.

The dry weather since the advent of spring has caused a series of epidemics in Tientsin.

Definite measures for the promotion of drought relief work in the 2rd Area, in southern Kiangsu, were decided upon at a joint meeting April 20 of representatives of the ten districts concerned, including Ihing and Liyang. Chou Hou-chun, Special Party Affairs Commissioner for the Area, presided.

The Shantung Provincial Government has decided to transport 230,000 flood refugees from the seven districts along the Chin Dyke of the Yellow River, in western Shantung, including Puhsien and Fanhsien, to north-eastern Shantung to engage in reclamation work near the river delta. The Provincial Departments of Civil Affairs and Reconstruction have been instructed to map out a definite program.

As a measure of relief to the residents in the flood-stricken areas in southern Hopei as a result of the inundation of the Yellow River, the Hopei Provincial Government has decided to order the exemption of payment of tuitions for the Spring term of students in all the schools in said areas.

The Yellow River Flood Relief Commission April 29 remitted $50,000 to Changyuan and another $25,000 to Puyang as loan to needy farmers at these flood stricken places.

Overseas Chinese in Siam Send Delegation of Protest to Nanking

The Chinese community in Siam has dispatched a delegation of three to Nanking to protest against the new Educational Regulations for Chinese recently enforced by the Siamese Government restricting the instruction of the Chinese language in Chinese-established schools in Siam to only three hours in a week and making compulsory the adoption of all other text books in the Siamese language.

A joint meeting of representatives of the Ministries of Interior, Foreign Affairs, and Industry, and the Central Overseas Affairs Commission was convened in Nanking April 22 by the Executive Yuan to discuss measures for coping with the anti-Chinese policy of the Siamese Government. The Siamese Government has recently drawn up another set of restrictictions affecting the domicile and trade of Chinese nationals in Siam.

***

Shanghai Merchants Suggest Boycott on Siamese Rice

Chinese rice merchants in Shanghai are contemplating a boycott on Siamase rice as a retaliation against the alleged anti-Chinese attitude taken by the Siamese Government. The various official organizations in change of Overseas affairs have expressed their hope that Siam would forsake such a policy in order to conclude a commercial treaty with China. According to a Chinese report a prominent Chinese rice merchant in Shanghai has expressed his view that should the Siamese Government refuse to change its anti-Chinese policy in the near future, Chinese rice merchants would, hereafter, stop buying rice from Siam. He said that from August, 1934, to March, 1935, China had bought more than $10,000,000 worth of rice from Siam, and since Siam failed to cultivate friendship with her neighbor, local rice merchants would stop purchasing her rice in retaliation. The various Overseas Chinese public bodies in Shanghai have hinted the necessity of concluding a commercial treaty with Siam. Their spokesmen are quoted by Chinese reports as saying that there are approximately 3,000,000 Chinese in Siam. Previous Chinese reports stated that the Siamese Government had laid restrictions on the Overseas Chinese of various kinds, among them that Chinese have been forced to be naturalized as Siamese and pay several kinds of taxes, which have been increased year after year, and particularly that the Chinese leaving Siam for further education must guarantee a fee of $500 and in addition are required to return to Siam after a certain period.

Siam Asks Japan to Constructs 30 Warships for Her on Six-Year Plan

The Tokyo *Jiji* says Siam has approached the Shipbuilding Association, a association composed of shipbuilding companies in Japan, requesting that Japanese dockyards undertake construction of some 30 warships for Siam on a six-year program. It appears, says the *Jiji*, that Siam is asking for estimates also from England and two or three other countries besides Japan. The Shipbuilding Association, therefore, considers Siam's negotiations with Japan as proof of the remarkable advance Japan has made in recent years in warship construction and shipbuilding technique, in general ahead of the European and American Powers, aside from consideration of the low rate of the yen in international exchange.

交通大學研究所

THE CHIAO-TUNG UNIVERSITY

RESEARCH INSTITUTE

With Branches at Tangshan and Peiping

I. Division of Industrial Research

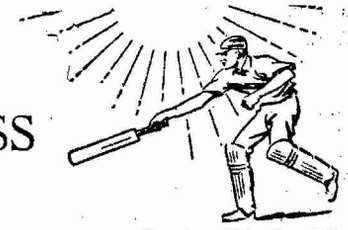
(1) Bureau of Engineering Design
(2) Bureau of Material Testing
(3) Bureau of Machine Testing
(4) Bureau of Electrical Testing
(5) Bureau of Physical Testing
(6) Bureau of Chemical Testing

II. Division of Economic Research

(1) Bureau of Social Economy
(2) Bureau of Industrial Economy
(3) Bureau of Communications
(4) Bureau of Administration
(5) Bureau of Accounts
(6) Bureau of Statistics

All applications and inquiries should be addressed to the Director at 1954 Avenue Haig, Shanghai.

Enjoy the FULLNESS *of life*



LIFE is rich when you are radiant with health. Every task is performed with enthusiasm, sports beckon alluringly, smiles come easily. But don't become constipated. It is one of mankind's greatest hindrances to health. It undermines your whole system.

Two tablespoonfuls daily of Kellogg's ALL-BRAN will relieve constipation. For chronic cases eat it with each meal. The "bulk" in ALL-BRAN promotes appetite and its Vitamin B and iron make rich blood. It is a natural aid, not harsh or habit-forming like pills or drugs.

No cooking required. Serve direct from the packet with cold milk or cream. Your grocer sells ALL-BRAN.

CONNELL BROS. Co. LTD.

P. O. Box 342, SHANGHAI

Kellogg's ALL-BRAN

the gentle, natural way to relieve CONSTIPATION

858

72-371

Cameron Forbes Notes Immense Strides Made by China

Cameron Forbes, who is Chairman of the American Economic Mission, delivered an interesting address on "Prospects of Pacific Trade" at the regular Pan-Pacific Association luncheon in Shanghai April 27 at the Metropole Hotel. Dr. H. H. Kung, who is the president of the Pan-Pacific Association of China, introduced the speaker. Mr. Forbes interestingly sketched the growth of communications between the Asiatic and American continents, pointed out the potential business between China and America and noted the immense strides made in China. In the course of his remarks, Mr. Forbes said, "A new era has dawned in China—an era of intercommunication, offering passage for the products of the interior to the ports of the rivers and the seacoast, and for articles of importation from the outside to interior points. It is an era of great possibilities, and I believe it is only just at the beginning. We learn with great satisfaction of the work in flood control, irrigation, forestation and other important developments. I look to see a growth and development in China which will transcend anything hitherto found in its forty centuries of known history. Moreover, China is taking its place among the foremost nations of the world as being air-minded. Noteworthy schools of aeronautics are being maintained and Chinese pilots trained."

Dr. and Mrs. H. H. Kung Entertain Mission at Tea Party

Dr. and Mrs. H. H. Kung gave a tea party in the grounds of their residence at 383 Route de Sieyes, in honor of the visiting members of the American mission and their wives. More than 700 guests were invited and the majority of these attended, including representative groups from the foreign diplomatic and consular bodies, Chinese government officials, distinguished foreign visitors, members of the International Settlement and French Municipal Councils, officers of the foreign and Chinese Chambers of Commerce, educational and missionary circles, Chinese and foreign financial and business circles, Chinese and foreign journalistic circles and officers of various associations and societies of the city. During the afternoon Chinese music was provided by the Kwanghua Orchestra.

Mayor Wu Te-chen stated in address at a dinner reception given in honor of the American Economic Mission at the Civic Center in Shanghai April 25 :—"China has much to learn and to receive but she also something to give and something to contribute. From what I have heard from members of the Commission, this view is shared by them also. Fullest realization of this point, it seems to me, is the key to the success of open-hearted and broadminded co-operation. I am sure if we are all guided by the principle of give and take, then our efforts to alleviate the world-wide depression will be crowned with success."

Chiang Kia-ngau and Nanking Paper Deplore America's Action on Silver

The Mission was entertained at a Chinese banquet in the International Recreation Club by the Reception Committee of the American Economic Mission to China and other local organizations. The banquet was presided over by Chang Kia-ngau, vice-president of the International Chamber of Commerce. In an address of welcome Mr. Chang said: "The visit of the mission is significant and important because it is the first American mission of its kind, consisting of persons, each an expert in his own field, to come to China since the small group led by the late Captain Robert Dollar came over here in 1910. . . . If China can proceed with her plans for economic development she may eventually become one of the world's largest markets. Such plans for development will necessitate considerable imports from abroad, and, in addition, the improved purchasing power of the people will create a demand for much larger imports in the future. The co-operation and assistance of other countries to China will improve their own export trade, and China is likely to purchase from those countries which show an interest in her economic development. At the same time, the Chinese Government is well aware of the need to establish China's foreign credit standing as a first step towards securing foreign economic assistance. Dr. Kung, the Minister of Finance, has been making efforts during the past year to improve foreign credit. This action will undoubtedly be recognized and appreciated abroad. . . . When China had a favorable balance of international payments there was an increase in the demand for silver and a rise in its price and in commodity prices in China. Since the coming into effect last June of the silver-buying program of the United States this process has been destroyed by the establishment of an artificial price of silver. As a result, both China's trade organization and monetary system have been gravely disturbed. People in China can only regret that the Congress of the United States is so completely ignorant of China's position with regard to silver, and so ill-informed as to the economic situation in this country. Your mission has, I feel, arrived in China at a most opportune time, and I hope that on your return from studying conditions here, you will explain our situation to your Government and people so that means may be found to reduce the harmful effects on China of the silver-purchase policy."

Mission Welcomed at Nanking

The Mission consisting of 13 members, was welcomed at the Hsiakwan railway station Nanking Apr. 24 by representatives of the Central Party Publicity Committee, the National Economic Council, the Ministries of Foreign Affairs, Finance, Industry, Communications, and Railways, and the Nanking Municipal Government.

The Mission visited the mausoleum of Dr. Sun Yat-sen April 24 and placed a floral wreath on the tomb as a tribute to the great Chinese leader.

The *Central Daily News* after extending a welcome to the American Economic Mission in Nanking, April 24 stated :—"China has been very severely hit by America's silver-purchasing policy. It is impossible to hope that China will increase her purchases abroad when she has before her the very difficult task of saving herself from the present crisis. Unless our friends devise concrete measures to solve this fundamental problem, all gestures and expressions of friendship will be without result."

Six Members of Economic Mission Fly to Canton

Six members of the American Economic Mission took off April 29 by Douglas Dolphin seaplane from Shanghai for Canton. They were delayed at Swatow by bad weather, and did not reach their destination until the following day. The party comprised: W. Cameron Forbes, chairman of the Mission, Charles J. Carrol, John B. Chevalier, Harold M. Bixby, Louis C. Jones and Robert C. Redmayne, secretary to Mr. Forbes. They were due back here end of this week, and scheduled to take off for Tsingtao May 4, and due to arrive in Tientsin beginning of next week.

John S. Campbell, vice-president of the Wilcox-Hayes Corporation of Pittsburgh, arrived this week to join the Mission.

China Makes Further Representations on U.S. Silver Program

Further representations concerning the American silver-purchasing program were made in Washington, April 25, by the Chinese Minister, Dr. Alfred Sze, at an informal conference with the Secretary of State Hull. China, he told Mr. Hull, was now facing the same situation as that which existed in the United States in 1933. His country, however, did not possess the same resources as those of the United States to enable it to meet the problems arising from that situation. Meanwhile, Henry Morgenthau, Secretary of Treasury, declared that the Treasury would would continue to purchase newly-mined silver until the price reached $1.29 an ounce, or until the stocks of the white metal reached one-fourth of the monetary backing required by Congress. "I am carrying out the Congressional mandate to the best of my ability," he said.

Silver Fluctuates Sharply Up and Down, Due to Uncertainty and Speculation

The silver markets of the world showed great fluctuations up and down during the week, the inducing factors being uncertainty as to further moves by the American Government and huge speculative operations

U. S. Silver Policy Criticized by N. Y. Journal of Commerce

President Roosevelt issued a proclamation April 25, raising the purchase price for newly mined silver to 77.57 cents per ounce.

The silver policy of the United States Government was bitterly denounced by the New York *Journal of Commerce* April 26. The paper slashed the "farcical silver-buying program of the United States Treasury," which, it stated "is now entering its more acute and mischievous phase." Referring to the speculative advance in the world markets as a result of the increase in the Treasury price, the journal declared that a "vicious circle has been started which bids fair to raise the market quotation rapidly towards the immediate goal of $1.29 an ounce.

"The tragic effects abroad of the silver program, however, are of immediate concern to the nations affected." The paper went on to emphasize the difficulties of China and Mexico, and pointed out that even India may suffer an epidemic of melting rupees if the price of silver should rise above $1.05 an ounce.

Mexico Forbids Export of Silver—Issues New Scrip

The Mexican Government April 27 clamped on its new monetary policy, forbidding the export of coins or bullion and substituting paper currency for silver coins of all denominations. Following the Government's decree withdrawing silver coins from circulation, it was announced that paper money now in circulation would be supplemented by a new issue of scrip of a denomination of one peso. It is anticipated that the peso will be stabilized at a new level in relation to the American dollar. The Mexican Government's action is stated to have been dictated by conditions following the rise in the price of silver as a result of the policy of the United States. U.S. Treasury officials in Washington Apr. 29 discussed with Dr. Fernando Conzales Roa the Mexican Ambassador, and Senor Roberto Lopez, special representative of the Mexican Treasury, a number of alternatives designed to correct the situation in Mexico created by the American purchases of the white metal.

Hopei Promulgates Rules to Cope with Silver Smuggling

A set of regulations governing the suppression silver smuggling was promulgated by the Hopei Provincial Government last week. The ruling provides that every traveller is allowed to carry only $50 when leaving the province. Persons who carry more than the fixed amount will be subject to due punishment and all silver in their possession will be confiscated, according to the new regulations.

Another Silver Smuggling Case Discovered on Japanese Steamer

Another silver smuggling case was discovered by customs officials at Tientsin April 28 on board a Japanese steamer when over $90,000 silver coins were found in bags intended to be smuggled out of the country. Several arrests were made immediately after the discovery.

A consignment of silver was seized in a Japanese steamer by the Customs officials at Chingwantao on April 26. The smuggled silver was concealed in hemp bags. Both the smuggler and the smuggled goods were seized.

Death will be meted out to any one smuggling silver from Kwangtung, according to an order issued by the Provincial Department of Finance.

Japanese Sell Silver Trophies Because of High Price of Metal —Chinese Dollars Melted Down

One of the results of the rise of silver in Japan is that the populace is selling silver trophies, cups, vases and medals. If the price should go much higher the value of the silver in a 50-sen piece would be worth more than its face value, and these would then doubtless follow other silver articles into the melting pot. Advices from Japan state that silver coins, especially Chinese, are being melted, refined to a fineness of 999 and made into bars for shipment to America and to London. The *Yasukuni Maru*, which sailed for London from Yokohama last week carried a silver cargo of 8,845 pounds.

American Cotton Manufacturers Ask for Federal Subsidy

Federal subsidy of cotton textile exports to allow American manufacturers to compete in world markets was recommended at Augusta, Ga., April 26 by Arthur Fluegelman, speaking before the Southern Cotton Textile Manufacturers Association.

Ex-Secretary Stimson Challenges Roosevelt Administration

Henry Stimson, Secretary of State during the Hoover administration, broke a long silence so far as national affairs are concerned last week and issued a challenge to the Roosevelt administration on the subject of avoiding international complications by saying, "The only means existing to prevent the United States from becoming embroiled in a world war, is the serious and intelligent co-operation of the American government with other powers to prevent conflicts likely to precipitate general warfare."

Dust Storms, Drought and Erosion Cause Great Damage

Dust storms, drought and erosion during the present year seriously affected areas in the United States in which 442,000 persons operate 92,000 farms, it was announced at a conference of state representatives at Garden City, Kansas, April 18, headed by M. L. Wilson, Assistant Secretary of Agriculture. Experts informed the various representatives that thousands of farms, covering more than 18,600,000 acres have been eroded.

Arms Inquiry to Avoid Raising Complications with Foreign Countries

Senator Nye, Chairman of the Senate's special munitions committee, announced April 18 that the investigators had agreed to avoid any action likely to raise complications with foreign governments in connection with the examination of the files kept during the Great War by J. P. Morgan and Company.

Roosevelt Economic Security Bill Approved—Townsend Scheme Defeated

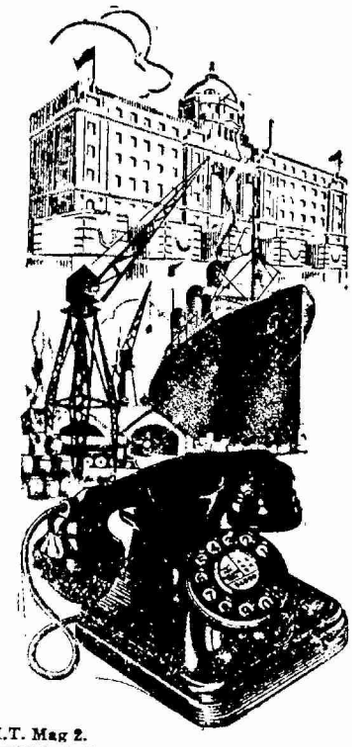
The House of Representatives April 19 approved President Roosevelt's $1,000,000,000 Economic Security Bill designed to guarantee the future employment and old age security for more than 20,000,000 workers. The vote was 371 to 33. The Townsend Pension Plan which provided that a monthly pension of $200 should be paid all persons above the age of 60 from a fund derived from a two per cent tax on all financial transactions, was defeated by the House shortly before the President's Bill was passed.

President Roosevelt in a broadcast address April 28, outlined the fundamental principles for the allotment of the $4,880,000,000 work relief plan recently authorized by Congress. He declared that fear is vanishing, confidence is growing on every side, and that there is and unmistakable atmosphere of recovery.

Treasury Offers to Exchange Liberty Bonds

In a fresh effort to reduce the carrying charges of the public debt, Henry Morgenthau, Secretary of Treasury, April 21 offered holders of First Liberty bonds an opportunity to exchange them for new Federal securities at a lower rate of interest.

TELEPHONE SERVICE - *THE VITAL LINK!*



The commercial world of today relies more and more upon dependable telephone service.

Every plan for the service has adequate, yet economic provision to safeguard this dependability.

Any of our employees will be pleased to take your order, or consult the Business Office Now:—

TELEPHONE 94000

SHANGHAI TELEPHONE COMPANY

M.T. Mag 2.

OLING

DISINFECTING FLUID

亞林防疫水臭

五洲藥房發行 各處分店各紙烟店均售

用亞林防疫臭水隨時澆洒室內外及一切不潔淨處能滅微菌消穢毒爲最澈底最可靠之防疫方法

INTERNATIONAL DISPENSARY

SHANGHAI

72-373

Dr. H. H. Kung Makes Patriotic Appeal on Finances

An earnest appeal to the patriotic sense of the Chinese people in valuing their national currency and to the farsightedness of the foreign banks in China to co-operate with the Chinese financial interests in order to cope with the present silver crisis was made by Dr. H. H. Kung, Vice-President of the Executive Yuan and concurrently Minister of Finance, in a press interview in Shanghai April 25. Dr. Kung expressed the hope that inspired by a sense of patriotism, the people of the country would value their national currency and refrain from exchanging it into foreign currency because of the latter's cheapness, snd thus prevent the outflow of the Chinese money. At the same time, Dr. Kung urged, supreme efforts should be made to promote native products and that the merchants must abstain from the purchase of foreign goods in large quantities because if their present cheap price. If the people of the country would observe these two conditions, there will be no apprehension of large exodus of silver from the country, he said.

Retrenchment to Be Key-Note of Next Budget

Compilation of the national budget for the 24th fiscal year, which begins next July 1, has just been completed by the Directorate-General of Budgets, Accounts and Statistics and submitted to the National Government for consideration. According to a spokesman of the Directorate-General, the guiding principle for the compilation of the budget for the forthcoming year has been retrenchment, every ordinary expense having been cut down to the lowest minimum as compared with that in the last budget, and the funds thus saved are apportioned for either new government enterprises or payment of national debts.

The draft National Budget for July 1, 1935-June 30, 1936 was submitted by the Directorate-General of Budgets, Accounts and Statistics, through the National Government, to the Central Political Council for approval April 26. Compared with the budget for the last fiscal year, the draft budget shows a reduction in administrative expenditures, and an increase in expenses for various productive enterprises. A small deficit is shown, but measures for making it up have already been devised.

New Officials of Central Bank Sworn In

Dr. H. H. Kung, Governor of the Central Bank, Messrs. Jian H. Chen and Chang Kia-ngau, deputy Governors, and new members of the Boards of Directors and Supervisors of the Bank were sworn in to office in the Banking Building in Shanghai April 27. General Wu Te-chen, Mayer of Shanghai Municipality, representing the Central Executive Committee of the Kuomintang, and Dr. Chu Min-yi, representing the National Government and the Executive Yuan, administered the oath of office to the new Bank officials. The inauguration ceremony was also witnessed by a representative gathering of the leading civic and business leaders of Shanghai. Immediately after the ceremony, the Boards of Directors and Supervisors of the Bank held a joint meeting under the chairmanship of Dr. H. H. Kung.

Policy of Financial Readjustment in Kweichow Announced by New Commissioner

Li Chun-kung, the newly appointed Commissioner of Finance of the Kweichow Provincial Government, at a press interview in Kweiyang April 26 stated that the first and most important step in the readjustment of finances in Kweichow was the clear demarcation of the national and provincial revenues. The national revenue should hereafter be collected only by officials of the Central Government, and the provincial revenue by the Provincial Department of Finance.

Kiangsi Delegation Petitions for Monthly Subsidy of $250,000

The delegation of the various public bodies in Kiangsi called on President Wang Ching-wei, of the Executive Yuan April 25 and petitioned for the continuance of the present monthly subsidy of $250,000 from the National Treasury in order that the various projects in the province can be proceeded with. It is understood that the petition is now being favorably considered by the Government.

Fukien Farmers to Receive Aid from Bank of China Loans

A loan of $300,000 has been secured by the Fukien Provincial Rural Finance Relief Committee from the Foochow branch of the Agricultural Bank of China (formerly known as the Four Province Farmers Bank for Honan, Hupeh, Anhwei and Kiangsi) to provide loan facilities to farmers in the various districts during the 24th fiscal year.

Finance Ministry May Raise the Equalization Tax

In order to cope with the developments in the silver situation, it is learned that the Ministry of Finance is considering raising the rate of the Equalization Tax on silver exports. However no definite decision has yet been reached.

Chekiang Has a Deficit of $2,800,000 for Last Half Year

The Chekiang Provincial Government is suffering from a deficit of $2,800,000 for the last half year, declared General Huang Shao-hsiung, chairman of Chekiang, in a recent interview. General Huang came to Shanghai from Hangchow to see after the health of his wife who has been sick in Shanghai.

Fukien Asks Permission to Float $900,000 Loan

To tide over the financial stringency of the province, the Fukien Provincial Government has petitioned the Executive Yuan for permission to float an issue of 24th Year (1935) Short-term Provincial Treasury Notes to the amount of $900,000.

Further Private Issue of Dollar Notes to Be Prohibited

No private and regional banks will be allowed to issue dollar notes in future, according to a decision recently adopted by the Ministry of Finance. Dollar notes issued by private and regional banks with the sanction of the Finance Ministry in the past, however, will not be withdrawn, though they are not to issue more in the future. They will be supplied by Central Bank notes in case of emergency needs.

The Shanghai Native Bank's Association had been ordered by the Ministry of Finance to conduct an investigation of the native banks which have been closed during the past few months. The order in strong terms warns managers of the closed native banks that to merely ask lawyers or auditors to clear up their accounts will not be sufficient to wind up their businesses.

Gold Deposits Discovered in Anhwei

Gold deposits have been discovered in the Chihchi district in eastern Anhwei near the Chekiang border, according to a report received from Anking, provincial capital of Anhwei.

Central Bank Bulletin Says China Welcomes oreign apital for Legitimate Investment

The Central Bank of China has issued its first Bulletin under the auspices of its Economic Research Department. Dr. H. H. Kung in an introduction says China's economic reconstruction is such a herculean task that the degree of its success must depend largely upon the amount of international co-operation accorded to her. As China at present does not have adequate capital, Dr. Kung said the country is still in need of technical knowledge and experience to carry on the reconstruction program; hence China welcomes with open arms foreign capital for legitimate investment and technical assistance along the lines outlined by Dr. Sun Yat-sen in his notable work, "The International Development of China." E. Kann contributed an article on China's Loan Policies, an Economic survey of China in 1934. A report on the Second National Finance Conference, gives useful statistical tables relating to banking affairs and the monetary situation generally.

Further Discrimations Against Jews in Germany Foreshadowed

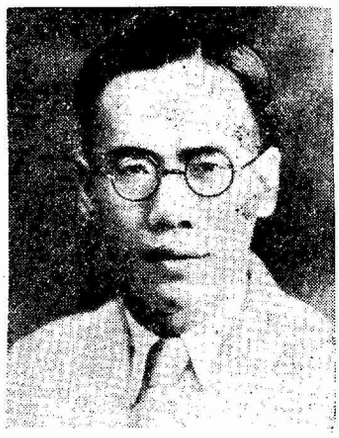
Jews and other non-Aryans will be "outlawed" under a new German citizenship law, one of a series of edicts aiming at the reorganization of the Reich, the promulgation of which is expected to be announced during the course of the year. In an interview in Berlin April 28, Dr. Frick, Minister of the Interior, declared that, under the new law, all candidates for German citizenship must be of the German race. He referred to Herr Hitler's book, "Mein Kampf," in which the Reichsfuehrer drew a line between German subjects and German citizens. Herr Hitler, in his book, had declared that every German born of German parents was a German subject and could become a German citizen, but must be healthy and of the finest character, and that citizenship would be granted on completion of military service. The Minister of the Interior said that the honor of citizenship could be acquired only by serving the people and the State, and after proving worthy. Citizens alone, he added, would be admitted to public offices and allowed to join the Army and vote.

Chinese High Court Rules Against Defence of Gambling in Cotton Transaction

The Second Branch Kiangsu High Court last week confirmed the decision of the lower Court awarding $14,508 damages to Rosenfeld & Son, against L. Z. Koo. Rosenfeld & Son had brought an action in the Settlement Chinese Court for the recovery of $14,928 as losses alleged to have been sustained on three contracts entered into by Mr. Koo for the purchase of cotton and wheat on the New York Exchange. The firm alleged that a total of 1,000 bales of cotton and 25,000 bushels of wheat were bought, due at future dates, that prices of these commodities dropped, that they were compelled to sell them, and thereby suffered losses amounting to $14,928. The Lower Court gave a decision in favor of the firm for $14,508, whereupon Mr. Koo, who contended the transactions were gambling, appealed to the High Court—but in vain.

Who's Who in China

Yen Chi-kuang, Government official; born at Talifu, Yunnan, 1896; was graduated from Yunnan Language School, 1910, and Tsing Hua College, Peiping, 1919; secretary, Bureau of Foreign Affairs, Yunnanfu, secretary, Yunnan Salt Administration Office, Dean, Yunnan High Normal College, participated in founding the Tung Lu University in Yunnan and taught History and English in the University, 1920-24; Secretary, Ministry of Education, Peiping 1925; pursued studies in Leland Stanford Junior University, Calif. U. S. A. and took B. A. degree, 1926-28; did research work in International Law in the University of California, 1829; during his short stay in U. S. A., he served as Editor-in-Chief of *Chung-Sai-Yat-Po*, leading Chinese newspaper in San Francisco; Adviser to the Yunnan Provincial Government, Librarian, Chief of the Editorial Department, and Professor of History and Political Science, Tung Lu University, 1930-31; Secretary, Bureau of Foreign Trade, 1932-34; Director, General Affairs Department, Ministry of Industry, since August 1934; concurrently, he is also Editor of the *Nation Monthly;* address: Department of General Affairs, Ministry of Industry, Nankiag.



嚴繼光字佐興
Yen Chi-kuang

嚴繼光字佐興，光緒二十二年生於雲南大理，宣統二年畢業於雲南方言學校，民八畢業於北京清華學校，民九至民十三，歷任滇省外交司秘書鹽運使署秘書，高等師範學校教務長，及東陸大學教授等職，民十四任北京教育部秘書，民十五赴美國留學，在斯丹福大學研究政治歷史授學士學位，旋入加利福尼大學，研究國際法，課餘之暇，任舊金山中西日報主筆，民十九歸國，任雲南省政府顧問，東陸大學教授，圖書館主任及編輯主任等職，民二十一至二十三，任實業部國際貿易局秘書，民族雜誌編輯，二十三年八月任實業部總務司長。

Health For All

Through

Dr. Williams' Pink Pills

Sound, robust health depends upon a pure plentiful supply of blood flowing through the veins. What makes blood? Good food, sunshine and fresh air, cleanliness. regular exercise, sufficient sleep; these are some of the more important factors.

For city dwellers who do not get their fair share of some of these essentials to good health, Dr. Williams' Pink Pills are the very thing, since they provide a perfect supplement to nature's way of building up the blood.

Dr. Williams' Pink Pills are the prescription of a British physician, an M.D. of Edinburgh University, and have helped to restore thousands of anaemic people to health and strength during the past fifty years through their unique ability to increase and enrich the blood.

If you are anaemic and suffer from any of the consequences of impoverished blood, such as indigestion, headaches, loss of appetite, rheumatism, neuritis, pains in the back and limbs, nervous debility, depression, give Dr. Williams' Pink Pills a trial, you will not be disappointed.

Equally good for men and women they are a splendid builder after influenza and other weakening illnesses. For growing children too they are very beneficial. Dr. Williams' Pink Pills are obtainable from all chemists.

In the United States Consular Court, Shanghai, China

In re. Estate of EUGENE ALBERT SILAGI, Deceased	Special Proceedings No. 157. NOTICE Filed at Shanghai, China, April 16, 1935. William T. Collins, Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of EUGENE ALBERT SILAGI, deceased, to present the same with vouchers to the undersigned on or before October 26, 1935, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

N. F. ALLMAN,
Hamilton House,
Shanghai, China.

Shanghai, China.
April 16, 1935.

"The Peiping Chronicle"

Leading English Language Daily Newspaper of North China. Presenting news impartially and promptly, interpreting current events in a sane and liberal spirit, and editorially supporting progressive and constructive policies.

Enjoying the widest circulation in North China and other places, and serving as the best medium for advertising.

SUBSCRIPTION RATES:

Single copies	10 cents
Sunday only one month	40 „
Two week	$ 1.00
One month	„ 2.00
Six months	„ 11.00
One year	„ 20.00

(Postage extra)

2. Mei Cha Hutung, Peiping, China.

Cable Address: "CHRONICLE"

Men and Events

Julean Arnold, U.S. commercial attache, departed from Shanghai for a short trip to Hongkong April 27.

John R. Morris, manager of the Far Eastern bureau of the *United Press*, has returned from a business trip to Japan.

Ma Heng, Director-General of the Peiping Palace Museum, returned to Peiping April 28 after visiting Shanghai and Nanking.

Madame Chamine, a well-known French woman journalist is a visitor in Peiping. She expects to proceed to Japan next week.

Dr. W. Vogel and Judge A. Lorentz, German legal practitioners, have become associated under the firm name of Vogel & Lorentz.

The World Council of Youth announces that a Pacific Area student Conference will be held in Baguio, Philippine Islands, during the first week in August.

The Shanghai Land Investment Co., Ltd. declared a 4 per cent interim dividend at its annual meeting last week—making 10 per cent for the year 1934.

A new daily newspaper, *Yunnan Daily News*, started publication May 1 in Kuenming under the auspices of the Educational Department of the Yunnan Provincial Government.

An augmented train schedule was put into force on the Shanghai-Nanking railway May 1, following the completion of the double-tracking of the Shanghai-Nansiang section.

Measures for the relief of Chinese victims in Formosa as a result of the recent earthquake were decided upon at the meeting of the Overseas Chinese Affairs Commission in Nanking Apr. 27.

Archbishop Zanin, the Apostolic delegate, left Peiping last week on an informal visit to a number of Honan Vicariates. He plans to make further trips into the interior during May and June.

According to the British and Foreign Bible Society's report presented at the annual meeting on May 1, no fewer than 4,296,495 copies of scriptures were sold in China in 1934, showing an increase of 394,204 as compared with 1933.

The Shanghai Municipal Council announced last week that a Weinberg pen will be installed at the Shanghai abattoir (to produce "kosher" beef) at a cost of $2,000, half of this sum to be borne by the Jewish Communal Association.

The *Municipal Gazette* of the Foreign Settlement of Shanghai for April 29 contains a complete register of all medical practitioners, dentists and veterinary surgeons in Shanghai, of all nationalities, inclucding Chinese.

Miss Marjorie Holwill has temporarily assumed the post of secretary to U.S. Consul-General E. S. Cunningham, succeeding the place of Mrs. E. P. Forrestel Jr. (Miss Leonora Barry), recently married.

Dr. Chu Min-i was elected Secretary of the Board of Directors of the Peiping Palace Museum at its second plenary meeting held in Nanking April 22. The revised regulations governing the Board were also approved.

Miss Madeleine Dallas of Shanghai was married to Mason Warner of Chicago by Judge Helmick, in the U.S. Court for China Apr. 24. The groom is head of the Mason Warner Advertising Company of Chicago.

Liu Shu-mei, salt inspector for Chungking, has been appointed concurrently salt commissioner for Szechuen. The two offices have been combined at an estimated reduction in expenditure of $600,000, according to Dr. H. H. Kung, Minister of Finance.

A child was born in Hanchung April 24 to Mr. and Mrs. S. C. Frencham, the missionaries who were captured by communists in Ningkiang in south-western Shensi and given up for dead. The child, a girl, will be named Grace Joy.

Miss Betty Smith, daughter of Mrs. Thomas Cumming Smith was married to Allen Stuart, of Minnesota, at the U.S. Legation in Peiping April 13. The groom has been Vice-Consul attached to the American Consulate-General in Tientsin, since 1929.

Hu Mao-tsin, manager of the *Hsin Kwang Jih Pao*, (*Star Light Daily News*) in Amoy, was a recent visitor to Shanghai. The Amoy newspaper, it is understood, was founded some time ago by Aw Boon Haw, Chinese industrial magnate in Singapore.

Florence Ayscough, author of many books on Chinese subjects departed from Shanghai this week for Japan. After a short stry in Japan she will proceed to America, and after a six weeks stay there, will proceed to her home in the Channel Islands, off the Coast of England.

At the request of the Shanghai City Chamber of Commerce and on the recommendation of the Ministry of Finance, the Ministry of Judicial Administration has announced a set of measures whereby security or bail may be effered in the form of Government bonds or Treasury Notes by litigants.

A net profit of $537,648 was made by the Shanghai and Hongkew Wharf Company, Ltd., during the past year, it was revealed at the general meeting held this week. This enabled payment of a final dividend of $7.50 on each of 50,000 old shares and $5 on each of 10,000 new shares.

A reduction in charges for wireless messages to and from ships at sea was announced in Nanking, April 24 by the Ministry of Communications. Messages passing between ships registered with the Ministry of Communications and all places in China will hereafter be classified as domestic marine telegrams.

An order has been issued by the Ministry of Communications to the various Telegraph Administrations stipulating that members of the business staff of the Telegraph Administration, who handle financial matters, are required to deposit a sum equal to 12 per cent of their salary for two years as guar.nty.

Brig.-Gen. F. D. Hammond, accompanied by L. J. L. Lean and F. J. M. Taylor, both of the Great Western Railway, are due in Shanghai on May 5. General Hammond will remain in China approximately four months in order to examine and advise upon the Chinese railway system.

A group of Chinese young men who left Kangting, the provincial capital of Sikong, on April 13 on a tour of adventure aiming at climbing up to the summit of the Himalaya Mountains, have already passed through the Tibet-India border on their way westward, according to information received last week.

Geo F. Nellist, formerly connected with the University Press in Shanghai, was not present in the U. S. Court for China, April 24 when the application for a separate maintenance made by his wife came before Judge Helmick. The Court granted the application, but did not fix the amount.

Coroner William T. Collins, sitting in the United States Consular Court, Apr. 26, found that the death of Mrs. Charles C. Reis was by natural causes due to heart failure. Mrs. Reis was found lying beside her bed in the home of her son-in-law Richard D. Lee at No. 34 Rue Lanney.

A special correspondent of the London *Daily Herald* Apr. 25 declared that Chinese eggs would be the subject of a special report based on an impartial investigation carried out by leading analyists, "the results of which are appalling." Subsequent examination showed that the scare was a false one and that Chinese egg products measured up to requirements.

Ch. Metzler has been elected a director of Pacific Banking Corporation. Mr. Metzler is Chairman of the Russian Emigrants Association, and represents the Russian Community officially on matters that pertain to the general interest of that Community. H. Ch. Reek has also joined the bank in charge of the Russian Banking Department.

The exhibition of Chinese art treasures (destined for exhibition in London starting next November) at the old Bank of China building in Shanghai was scheduled to come to a close end of this week. The treasures will be carefully packed and taken on board the British cruiser *Suffolk*, which will convey them to England.

By a joint order of the National Economic Council and the Ministry of Education, Lei Chen, Director of the General Affairs Department of the Ministry, has been appointed to serve concurrently as Director of the National Academic Inquiry and Employment Bureau, jointly organized by the Council and the Ministry.

Wong King-yung, a prominent resident of the French Concession, entertained a party of foreign and Chinese newspapersmen at his villa in Tsaohoching, April 28. Francis Zia speaking on behalf of Mr. Wong, stated that the latter gave the party to acquaint Chinese and foreign newspapermen with the location of of his garden as a place to go to during week-ends for fresh air and relaxation.

Dr. A Stampar, health expert attached to the National Economic Council, who returned to China last month from Geneva where he has been on furlough, departed from Nanking April 24 by the Eurasia airplane on the Shanghai-Lanchow Airway for Sian, provincial capital of Shensi to inspect and assist in public santiation development in the Northwestern provinces, including Shensi, Kansu and Ninghsia.

John King, proprietor of the Wells Candy Co., in Bubbling Well Road, Shanghai, was sentenced to two months' imprisonment in the Chinese Court in the Foreign Settlement last week on conviction of using candy wrappers which were imitations of those registered under Sweetie Brand by the Henningsen Produce Co., an American concern. The Court said it was the defendant's first offense and therefore a two years' suspension of sentence was granted.

Pah Hung-hsiung, a lawyer, was arrested last week by the French police on request of the authorities of the Nanking-Shanghai and Shanghai-Hangchow-Ningpo Railways Administration, who accused Pah of damaging their reputation. Evidence given in court was that Pah had received $1,400 from a group of Chinese last August under the pretense of securing for them a contract from the railway authorities to cater to all dining cars and other services. Among the victims present in court was one Feng Yi-ziang, manager of the Canidrome in the French Concession.

The system of family discounts in both Chinese and foreign schools of the Shanghai Muncipal Council will be changed so as to expedite a more reasonable distribution of education funds, according to a report issued by the Press Information Office last week. According to the new plans, discussed and approved by the Municipal Council, discounts in the fees for two or more children from one family attending the schools for Chinese will be discontinued for new pupils from September of this year, while in the foreign schools the discount system will be retained with modifications. In each case the increased fees resulting from the change will be applied for the provision of additional scholarships.

The fiftieth anniversary of the Margaret Williamson Hospital will be celebrated by exercises to be held May 11 at 3.30 p.m.

Li Min-jen, assistant compradore of Andersen, Meyer & Company, Ltd., died at the St. Luke's Hospital April 29 as a result of taking an overdose of sleeping pills.

Miss Ardeane Jane Henningsen, daughter of Mrs. A. P. Henningsen, Sr., was married to Wellesley Wright at the Shanghai Holy Trinity Cathedral by Dean Trivett April 30.

The American Bible Society gave a reception at the New Asia Hotel, in Shanghai April 25 in honor of the Rev. Cheng Ching-yi, who was recently elected an honorary life member.

Mrs. Kathryn Finglestein Wilhoit appeared in the United States Court for China April 29 seeking a divorce from her husband. The matter of alimony will be taken up by the Court on its return from Tientsin.

George Merrill has been appointed second secretary of the American Legation in Peiping. Mr. Merrill, who has served previously in The Hague and in Port au Prince, Haiti, is due to arrive in Peiping in September.

The fifty-fourth annual report of the Canadian Pacific Railway Company, for the year ended December 31, 1934, which has been printed in brochure form, shows the following results:—Gross earnings for the year $125,542,954.89; and net earnings of $24,384,023.41.

Messrs. A. Hayman and R. Bosshardt, two missionaries who were captured by the Reds under Ho Lung in Kweichow last autumn, were still alive and well on April 9, a letter from them bearing that date having been brought back by a messenger sent to look for them by a mission station in Hunan.

Nine Soviet experts arrived in Tokyo last week for a stay of six months. They will advise the Soviet Trade Representatioa on the merchandise to be included in the Yen 90,000,000 portion of the purchase price of the Chinese Eastern Railway which Manchukuo will deliver to the U.S.S.R. in Japan-made goods.

Judge Milton J. Helmick, accompanied by various court officials, is scheduled to depart from Shanghai for Tientsin end of this week. Sessions of the U.S. Court for China are to be held in the northern port during next week. The principal cases to come before the court are four actions brought against the Peiping Union Medical College.

The Shanghai American University Club held its annual spring dinner dance at the Canidrome ballroom April 26. Massachusetts Institute of Technology, with a contingent of 100 members and guests, won first place as to numbers, with the University of California ranking second. Others of the 135 colleges and universities represented on the club's roster, had as many as 30 to 40 at their tables.

E. M. Gull, former secretary of the British Chamber of Commerce and Mrs. Gull, who was chairman of the British Women's Association at Shanghai, returned to China last week after several years spent in England. They are planning to spend several weeks in traveling in China while on their visit. Since returning to England, Mr. Gull has served as secretary of the British China Association.

Chin Yang-siu, a 36-year-old Korean and a naturalized Chinese subject, was shot in the left shoulder by another Korean who confronted him while he was returning to his house in the Shanghai French Concession on the night of April 24. Hearing the pistol report, a Frenchtown Chinese constable rushed to the scene and found Chin lying in the street. A close search for the assailant was made, but no trace of him could be found. Chin will recover.

Mrs. C. H. French, wife of C. H. French, president of the American Chamber of Commerce and vice-president of Andersen, Meyer & Company, died on Tuesday, April 30, after a protracted illness. The funeral service was held at Community Church on Friday afternoon and was conducted by the Rev. George Fitch. Mrs. French was born at Williamstown, Michigan in 1877 and was married to Mr. French on Aug. 17, 1904. Mr. French at that time was insular auditor of the Philippines. They came to Shanghai from Manila in 1921 and have resided here since.

ALL THE YEAR ROUND
PINKETTES
THE GENTLE LITTLE
LAXATIVE LIVER REGULATORS
KEEP YOU WELL

A.B.C.
SUMMER SHIRTS and UNDERWEAR
Sale Now On
10% for Cash
472 Nanking Road.
Tel. 94431

In the United States Court for China

BESS H. McALISTER, Plaintiff, vs. GEORGE F. McALISTER, Defendant.	Cause No. 3852 Civil No. 1799 ORDER Filed at Shanghai, China, April 23, 1935. William T. Collins, Clerk.

The object of this suit is an action for divorce.

WHEREAS, plaintiff herein, by her attorneys, has this 17th day of April, 1935, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 17th day of April, 1935, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 17th day of April, 1935, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China nor has he resided therein since October, 1933, and that defendant's last known address was 45 Grange Street, Rusholme, Manchester, England, c/o Mr. Frank Mee.

NOW, THEREFORE, it is this 23rd day of April, 1935, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the *China Weekly Review*, a paper of general circulation most likly to reeach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occuring after the 11th day of May, 1935, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default,

BY THE COURT:

Dated at Shanghai, China,

this 23rd day of April, 1935.

MILTON J. HELMICK,

Judge.

New Books of Interest in the Far East

Labor Research Department Worker Flays British Imperialism in India

British Imperialism in India, by Joan Beauchamp. Martin Lawrence, Ltd., London, 1934. 224 *pages with bibliography and map.*

This book was prepared for the Labor Research Department. The thesis for it is stated in its foreword, quoted from Lenin :—"Capitalism has developed into a universal system of colonial oppression and the financial strangling by a handful of advanced countries of the gigantic majority of the people of the earth."

The first chapters concern the conquest of India for the benefit of British trade and its consequent exploitation as a safe country for the profitable investment of British capital. The remainder of the book takes up the various elements in the complex Indian situation. The oppression of the peasantry and factory workers, the lack of public works to improve agriculture and native industries, and the conditions surrounding Indian business enterprise are all treated in a thorough manner.

Regarding Gandhi, the author takes the view that he is hand-in-glove with Indian owners of mills and such monied people and that his endeavors have always been more to assist them in their desire to compete with the British than to help Indian factory or agricultural workers. Therefore, in Labor parlance, Gandhi has "let-down" the workers and his efforts have been more for the factory owners than for factory workers.

The involved history of oppression, discontent, revolt and repression told in this small book is enough to rouse the feelings of more than Labor circles. England faces a responsibility in India, one which has grown and developed so that unless it is settled wisely it will eventually destroy more than the peaceful relations between countries. Trade relations of workers in both countries are bound together. The author's conclusion is in these words :—"The wellbeing of the workers and peasants of India is inextricably bound up with that of the workers of Great Britian, and the final victory can only be won if the workers of both contries stand shoulder to shouder against the common oppressor."

G. B. S.

Revolt Through the Ages Forms Theme of Twelve Stories

The Red Flag, by F. Britten Austin. Philadelphia, J. B. Lippincott Co., 1935. 400 *pages. U. S.* $2.50.

The Red Flag, symbol of revolt through the ages, is the name under which Austin has gathered together stories set in twelve revolutions, beginning as far back as ancient Egypt and ending with the World Revolution of the next century. If one is to take the tone of the book as a whole, he cannot fail to get the meaning of the author—that all revolutionary movements are bound up with personalities and with elemental life forces, love, hate, greed, thirst for power. The quality inherent in revolution that the movement goes beyond the control of the leader is constantly repeated. Nor is revolution usually accompanied by benefit for the particular revolting group, as is shown in the French peasant uprising of 1358, the German revolution of 1848 and the Russian revolution of 1917. The tragedy of revolution is seen to be the tragedy of individuals. Therein lies the chief value of this treatment of revolutionary movements.

Accustomed as most people are to consider the great French Revolution as the most highly keyed of all revolutions except the Russian revolution of 1917, it is a disappointment to find that this story is the only one told with a marked artificiality. Another disappointment is Austin's treatment of Garibaldi's revolt of 1860. Ramsay Muir,the historian,has rightly said that the Italian unification movement embodied the purest nationalism of nineteenth century Europe. It is evident that to the author this story was one of the most moving which he wrote, yet his theme is on a lower moral plane than an interpretation of that time and its events should be.

Two of the stories deal with China. The first, In Willow Pattern,is a stylized account of the period during which Wang An-Shih was trying his experiment in socialism. This first large-scale experiment in state socialism, independently invented by China, is shown to be but the prelude to the period of misery, chaos and weakness which ended the Sung dynasty. The second picture of China is placed more than eigth hundred years later in the dramatic story, The Dragon Wakes. This tells of the return home of a group of Russian trained Chinese and their northward movement from Canton in 1926 and 1927.

Ever through these stories runs the conflict between the revolutionary idealists and the self-seeking workers, to whom revolution is but a convenient step to power. Like many other authors, Austin has projected a story into the future, 1977-2036, when The World is Red. The dreary, depersonalized, uneventful world of the communist which he pictures has crushed but not destroyed the emotions of men and women. In this last story, as in every one of the twelve, runs the thought that demands and fules rrom above will not change the essential qualities of man.

F. M. R.

British to Celebrate King's Jubilee—Japanese Honor Emperor on His Birthday

Elaborate preparations have been made by the British community in Shanghai to celebrate on May 6 the Jubilee (25 years reign) of King George V. The principal display will be at the Race Course where a castle 58 feet high is being constructed. A big military and naval display will be held at 9.30 p. m.

Japanese Celebrate 34th Birthday of Emperor

The thirty-fourth birthday of the Emperor of Japan was celebrated in Shanghai, as in all parts of the world where Japanese live on April 29. The first observance was the religious ceremony at the Japanese Consulate General. The Consulate-General was also the scene of a reception to representatives of the Naval and Military forces and of the Japaness community. I. Ishii, Japanese Consul-General, received foreign and Chinese officials in his residence in Seymour Road. Following the official ceremony at the Japanese School in Range Road, a sports meeting for the school children was held in Hongkew Park. In the afternoon the naval detachments in port competed in Japanese wrestling, jiujitsu, fencing, bayonet fighting and the ancient sport of archery.

Germans Enthusiastically Celebrate National Holiday

The Germans in Shanghai enthusiastically observed their national holiday May 1. Patriotic speeches were made by Dr. O. P. Trautmann, Minister to China, Lieut.-Col. Hermann Kriebel, Consul General, and Pastor E. Krueger, the general tenor of which was that the individual is nothing and that the nation as a unit is everything.

New Regulations For Factory Registration Adopted by Executive Yuan

A set of new Regulations governing Factory Registration was adopted at a meeting of the Executive Yuan in Nanking last week. All factories operating within Chinese territory which employ more than thirty workers or use machine power for the production of goods will be required to register with the local Government organ concerned. It is stipulated that upon promulgation of these revised Regulations, all factories which have not yet been registered shall apply for registration within six months from date of promulgation; those failing to do so within this period shall be liable to a fine according to Article 5 of the Law governing Execution of Administrative Measures and shall be compelled to apply for registration. The above provision shall apply also to new factories which fail to apply for registration within two months after their establishment.

Quezon Pays Tribute to Roosevelt and Murphy

Manuel L. Quezon, president of the Philippines Senate in an interview in Washington April 26 stated that the "Philippines have been very fortunate at this time in their history in having Mr. Roosevelt at Washington and Governor-General Frank Murphy at Manila—intensely anxious to aid, and both having the power and the capacity to render service to us in a perfect spirit of co-operation." Senator Quezon and Governor General Murphy will sail from San Francisco on the s.s. *President Coolidge* this month for Manila.

Children's Stomach Troubles.

Most children like sweets, ice-cream, fancy cakes and other rich confections, and, whilst in moderation these do no harm, over-indulgence in such delicacies causes stomach disorders.

At such times Baby's Own Tablets are a boon to parents, for they quickly cleanse the little one's stomach and ward off ill effects.

An ideal remedy for the lesser health troubles of the very young, and the prescription of an eminent British child-specialist, Baby's Own Tablets may be used to good effect in all cases of infantile constipation, indigestion, colds, croup, diarrhoea, also during the trying times of teething and for the expulsion of worms.

They are guaranteed to contain nothing harmful, and to be perfectly suitable and safe even for the youngest infant in arms. Chemists everywhere sell

Baby's Own Tablets

72-378

In Honour of the Silver Jubilee

Of Their Majesties The King and Queen of the British Commonwealth. 1910—1935.

Already published or to be issued at the end of April

By the Oxford University Press:

Special edition of BIBLES and PRAYER BOOKS

All with 3 collotype portraits of Their Majesties, and with art silvered lettering, and Silver Jubilee emblem on side.

All the books except the cloth lines are finished with art silvered (untarnishable) edges. Except where otherwise noted the styles are issued only in shades of Royal Red and Royal Blue. Different prices.

GOOD KING GEORGE'S GLORIOUS REIGN

A Pictorial Record of the Life of King George V., and a Panorama of Great Events throughout the world from the Accession to the Jubilee.

Demy 4to size, consisting of 120 pages and containing over 200 pictures, by the Photo-Litho-Offset process, Picture Jacket. Picture Boards 3s. 6d. Cloth 5s.

By Hodder & Stoughton:

THE KING'S GRACE

By John Buchan. People's Edition 5s.

"An attempt to provide a picture—and some slight interpretation—of the King's reign, with the Throne as the continuing thing through an epoch of unprecedented change."

By Methuen & Co.:

TWENTY-FIVE YEARS A KING

By John Drinkwater. Illustrated from the British Movietone News Film. ..... 5s.

"The portrait here presented of the King is one of a sovereign who by unfailing tact, and devotion to his people has succeeded in adding to the prestige of the British Crown."

By Faber & Faber:

THE REIGN OF KING GEORGE V

By D. C. Somervell. Author of *Disraeli and Gladstone* ..... 12s. 6d.

"Mr. Somervell has no equal in the art of making history deserve its last five letters. In this book he tells, with admirable wit and dramatic sense, the story of these eventful years."

By A. & C. Black.

TWENTY-FIVE YEARS A KING

The Book of the Pathe Film. Text by John Drinkwater. Foreword by the Rt. Hon. Sir Austen Chamberlain, K.G. With 83 full-page illustrations in photogravure ..... 2s. 6d.

From the catalogue of the Covenant Publishing Co., Ltd.

THE ROYAL HOUSE OF BRITAIN. Showing its Descent from King David who was king in Jerusalem in 1056 B.C., about five hundred years before the time of Confucius.
By H. Garrison, F.R.G.S., F.R.E.S. ..... 8 pp. 3d.

THE ROYAL HOUSE OF BRITAIN AN ENDURING DYNASTY.
By Rev. W. M. H. Milner, M.A., F.R.G.S. ..... 42 pp. 4s. 6d.

A genealogical work, compiled with great authority from irreproachable sources. Unchallenged and unchallengeable.

THE CORONATION STONE AND ENGLAND'S INTEREST IN IT.
By Mrs. G. Albert Rogers. ..... 128 pp. 1s. 6d.

THE FLAG OF ENGLAND. Its History and the Flags of the Empire.
By Cumberlane Clark, F.R.G.S., F.R.A.S. ..... 76 pp. 2s.

JUDAH'S SCEPTRE AND JOSEPH'S BIRTHRIGHT.
By Rev. Bishop J. H. Allen of the U.S.A. ..... 377 pp. 10s. 6d.

THE HERITAGE OF THE ANGLO-SAXON RACE.
By M. H. Gayer, O.B.E. ..... 4s. 6d.

DAVID'S IMPERISHABLE THRONE IN BRITAIN.
By Rev. Dr. T. H. Whitehouse. ..... 32 pp. 3d.

A little book, astonishing in its lucidity and unanswerable in its logic. It shows that the seed of David did not fail with Zedekiah, but is a living ruling entity to this day, and that the Almighty promise is literally fulfilled:—"David shall never want a Man to sit upon the Throne of the House of Israel."

Postage extra. Any book not in stock will be ordered immediately.

KWANG HSUEH PUBLISHING HOUSE

140 PEKING ROAD, SHANGHAI

In the United States Court for China

DOROTHY LYMAN GREEN, Plaintiff,
vs.
RALPH THOMAS GREEN, Defendant.

Cause No. 3856
Civil No. 1802
ORDER.
Filed at Shanghai, China, this 27th day of April, 1935.
William T. Collins, Clerk.

ORDER

The object of this suit is the dissolution of the bonds of matrimony between the parties hereto.

WHEREAS plaintiff herein by her attorneys, on the 27th day of April, 1935, made application for the substitution of publication for personal service of summons upon the defendant herein; and

WHEREAS it appears from the files of this case that on the 27th day of April, 1935, the summons for the defendant was returned by the Marshal of the United States Court for China "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on the 27th day of April, 1935, Dorothy Lyman Green, the plaintiff herein, filed an affidavit to the effect that the defendant herein was not residing in the Republic of China;

NOW, THEREFORE, it is this 27th day of April, 1935, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in *The Chnia Weekly Review*, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 18th day of May, 1935, the day of the last publication of the Order; otherwise the case will be proceeded with as in cause of default.

BY THE COURT.

MILTON J. HELMICK,
Judge,
United States Court for China.

JAPAN
AND THE CRISIS OF 1935-1936

An exhaustive, 22-page treatise on conditions now prevailing in Japan and an analysis of Japan's present relations with China and other countries. It covers trade, finance, politics and armament.

Which Way Will the Japanese Cat Jump Next?

50-cts. a copy, including postage.

THE CHINA WEEKLY REVIEW
160 Ave. Edward VII.
Shanghai.

72-380

Executive Yuan Asks Punishment for Foreign Narcotic Traffickers

The Executive Yuan has ordered the enforcement of measures for the suppression of traffic in narcotics by foreigners or foreign vessels in China. Foreigners guilty of secretly manufacturing or transporting narcotics in China should be deported, and never permitted to return to China again. Arrangements are to be made with the Foreign Powers to enact special laws providing for heavy punishment for their respective nationals who may be found guilty of secretly manufacturing or transporting narcotics in China. It also recommended that protection should be withdrawn from any foreign vessels which are found guilty of secretly trafficking in narcotics in Chinese territorial waters.

Huge Narcotic Seizure on Honan-Shensi Border

Six large cases of narcotics, weighing approximately 6,000 catties, were seized by the Inspection Bureau for Opium-Suppression at Tungkwan on the Honan-Shensi border April 29. The contraband, valued at $300,000, is being transported to Hankow.

"King of Narcotics" Hsueh Executed at Peiping

Hsueh Yo-tze, the "King of Narcotics," was executed by a firing squad at Peiping April 28 together with an accomplice named, Yen. Representations on his behalf at Nanchang and at Hankow to Chiang Kai-shek by his friends, proved unavailing.

More than 1000 opium smokers have been rounded up in Nanking since the launching of the anti-drug campaign. An average of 20 to 30 smokers are taken into custody daily. Chang Shao-ching, convicted of having used heroin again following his release from the clinic, was executed before a firing squad by the Garrison Commander's Headquarters at Nanking April 24.

China National Anti-Opium Association Draws Up Resolutions for Submission to Nanking

Ten resolutions were recently adopted by the China National Anti-Opium Association and recommended to the Central Government for adoption in the government's Six-Year Opium Suppression Plan. The resolutions were drawn up by a special subcommittee of the association, including Dr. Wang King-ky, Hsueh Tu-pi, Dr. Wu Kai-seng, K. T. Chung, Chu Fu-cheng, Dr. Lee Teng-hwee, and Garfield Huang. The resolutions proposed that the revenue derived from taxation on opium (although not aimed at revenue) should be appropriated for the promotion of education and propaganda among the people, aiming at the suppression of the opium habits and production, and the devising of all other necessary measures towards that end. Opium-suppression activities, are to be divided into three stages: that aiming at suppression of poppy-planting at suppression of poppy-planting, that aiming at suppression of the drug-habit, and finally, the stage for rehabilitation work. It was further resolved that as in the 10 provinces, Hupeh, Hunan, Honan, Anhwei, Kiangsi, Kiangsu, Chekiang, Fukien, Kansu, and Shensi, much progress has been made in opium-suppression activities. The main sources of opium are from Yunnan, Szechwan and Kweichow, and it is proposed that the central government provide the farmers in said areas with other farming work, as a substitute for poppy-cultivation. Opium and other drugs which flood the North China markets continue to pour in from Jehol, while opium from Formosa is glutting the Fukien markets, and in both these places, the central government is requested to take effective measures to check the sale of opium. The government is requested to start negotiations with foreign Concession and Settlement authorities in China with a view to enforcing the same opium-suppression measures as apply in Chinese-controlled areas, etc.

The Fight Against Opium in Fukien and Szechuen

Kao Hai-lan, Opium Suppression Commissioner for Fukien, proceeded to Amoy this week to conduct a general inspection of the results of opium suppression work there.

Dr. Wang Chu-hsiang has been appointed to direct the curative treatment of opium addicts in Szechuen province. Clinics for addicts will be established immediately at Chungking, southeastern Szechuen, Chengtu, the provincial capital and Wanhsien, eastern Szechuen.

Counterfeit Money Used to Pay for Clandestine Opium in Holland

When six opium smugglers, among them being a customs official, were arrested in Rotterdam recently it was discovered that the latter had been entrusted with the task of destroying a large quantity of opium seized on the Netherlands-Belgian frontier some time ago, but instead of carrying out his instructions, had secretly sold the dope to a band of smugglers. Altercation arose when it was learned that the smugglers had paid for the clandestine cargo with counterfeit money.